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WATCHING STEEL AS BAROMETER OF BUSINESS FUTURE

A Period of Higher Prices Ahead But Turn Being Predicted

THE SPRING OUTLOOK

Building Activities Centre in Commercial and Industrial Structures — Big Plans for the Mines

Steel as a barometer of industry and business presents some interesting phases at the moment. The market is still tending to higher levels and this is particularly noted in the finished products. Prices have shown marked advances despite the lessons of the last period of inflation and the efforts of the producers to prevent speculation. In the face of this situation such an authority as the Industrial Digest predicts that "prices of pig iron, one of industry's basic commodities, are due to start downward this spring." The significance of such a forecast in relation to the steel industry and the general business situation is important. It is based upon a study of price movements since 1901 by A. G. Wheeler, who, by means of the same statistical material, predicted the drop in pig iron prices in the early months of 1920; at the same time the drop in pig iron was accompanied by a decline in general business.

Conditions at the moment indicate consumption demand above production in the United States. The industry in Canada is now sharing in the boom. Prices are advancing and some of the producers have discontinued booking. There is a better domestic demand and the situation in the States is such that not only are Canadian buyers forced to depend more and more on the home market, but there are orders for fencing and some other products coming to Canada from buyers on the other side of the line who have been caught in the shortage.

Predicts Higher Prices

Still higher costs and a continuation of firming price tendencies in finished steel products are predicted by Robert Hobson, president of the Steel Company of Canada, in an interview with Hardware and Metal. Lake ore prices have advanced 50 cents a ton over 1922. Then the wage increase for common labor effective April 1st is another factor. There will be a shortage of this class of labor with the opening of summer activities, while the exodus to the United States continues.

The Spring Demand

Spring and early summer prospects for increasing volume of steel business appear to be very bright, according to Canadian Machinery. There is still considerable difficulty in obtaining delivery of material from mills in the States and orders placed now must take their turn on the waiting list. It is thought, however, that once spring is fairly on the way that some relief will be given to present congestion, and that the movement of freight will get back somewhere near normal and that mills will be able to give a definite promise regarding material shipment.

In the Building Trades

In the building industry there is a marked increase in the program for the new season as compared with a year ago. The tendency is towards commercial and industrial structures as compared with residential building to which activities for the past couple of years have been very largely confined. The supply of money appears to be plentiful with a tendency to increase the proportions of loans on good properties. Costs for the time being appear to be pretty well stabilized, with labor showing greater efficiency, and tenders are fitting in better with architects' estimates to the extent that few bid calls are being cancelled. There is some feeling, however, that expansion of the building program will be followed by a shortage of both materials and labor and that activities may be checked on this account.

Activities in Mines

The mining outlook is one of activity. The various camps of the North promise much good business. Practically every operating gold mine has been or is in the market for additional orders while many other companies are buying. The North's supply market for the year will be tremendous. Operations will be taken up in numerous fields when the snow is gone and heavy purchases of supplies will result. In fact, many of these orders are now on the market in the hopes of getting them filled and the goods transported in before the sleighing goes.

The Farmers' Problems

The farmers are evidently facing the new season with a renewal of confidence. Spring is the time of new hope for the agricultural industry. Whether the foreign markets will be more satisfactory following the harvest than was the case last year remains to be seen. However, it is noted that there is an increasing tendency to study the needs and possibilities of the foreign markets and to adjust agricultural production thereto. The increased dairy production in

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Attention Hon. MacKenzie King

From N. Y. Herald—

"SONS" OF SWEDEN ARRIVE

The Swedish-American liner Drottningholm arrived in New York yesterday from Gothenberg with nearly 1,200 Swedish immigrants. Capt. J. N. G. Anderberg said practically all are bound for the Northwest to take up farming. Immigration officials said they were the finest looking lot that have arrived in months.

* * * *

From N. Y. Times—

1,176 BRITISH IMMIGRANTS ARRIVE TO-DAY ON ONE SHIP

What is said to be the largest number of immigrants ever carried on one ship sailing from Great Britain and Ireland are expected to arrive in New York this morning on the Cameronia of the Cunard line. The newcomers, 1,176 in number are Scotch and Irish who will make their homes in America. Many skilled mechanics are said to be among them.

* * * *

A good settler is worth $5,000 to Canada. A Swedish is worth much more because Swedes have money.

The government has been urged to go after these people. We have a better proposition for them than the U.S. We need them, but we let them slip away.

HON. MR. STEWART ADMITS FAILURE OF IMMIGRATION

Address Shows Government Still Without Constructive Policy

Hon. Charles Stewart, M.P., Minister of Immigration, has given the public, through the Toronto Canadian Club, an account of his stewardship. He told of the doings and policies of the Dominion government on this— one of our two important national problems. He left the impression that the King government had done nothing worth mentioning and had no constructive policy. It is doubtful if he gained one sympathizer and we dc know the government lost friends. To THE POST one of the most prominent Ontario Liberals contradicted his opinion of continental settlers and expressed condemnation of the government policies with marked emphasis.

His attitude and talk were depressing. But we must not be unfair to Mr. Stewart. He came east with a good record as a provincial premier. He has suffered more political buffeting than any other minister. He has been the "wandering Willie" of the Cabinet. His real job is Minister of the Interior. The bigger job, he says, was wished on him and he expressed a hope that the premier might find a man to fill that position exclusively. His audience agreed. Moreover, many speakers and writers have been holding him responsible for emigration— an entirely different problem and for which he is in no way to blame. Finally, he has had to deal with a conflicting situation. There is Jacobs, M.P., who wants to bring unlimited millions of starving and other Eastern Europeans to fill our cities and towns; and the Labor leaders, Murdock and Moore, who want to keep them out for fear they reduce wages and cost of production. Then there are Drury and Doherty who want good farmers, and the anti-Canadian-British agitators in the West who don't. Agitators want lazy farmers, poor crops and declining population. Last year they carried on campaigns under foreign instructions for reduced crops.

Mr. Stewart's only definite, constructive worth-while policy announced was that they had started advertising for farmer immigrants in the Western States. Beyond this and briefly put, he said:

That our figures of emigration were much exaggerated.

That the government was opposed to assisted immigration.

That they did not want settlers from the Continent. They wanted only British immigrants; others were not satisfactory settlers.

That Labor leaders had agreed to admission of a limited number to fill the shortage of mechanics, especially in the building trades.

* * * * *

Good farmers are always good citizens. Excepting Woodsworth, M.P., and other Communistic agitators, this country is agreed that we need experienced farmers and need them

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Water Power Exported From Quebec to be Taxed

From Our Own Correspondent.

MONTREAL.— In addition to large revenues now obtained from water power developed by private capital in the province, Quebec proposes to get additional revenue from power exported to Ontario or any other point. In calling for tenders for the lease of rapids on the Quinze River the province provides that if any of the power is exported to Ontario royalties of 50 cents per horsepower per year must be paid in addition to the usual fees.

The Quinze River site is estimated as being capable of producing 60,000 horsepower. It is near the Ontario border.

ALL NOT HEARD OF GRATUITIES TO RAILWAY MEN

Sure to be Discussed When House Sits Again

From Our Own Correspondent.

OTTAWA.—There is sure to be a strong protest over some of the gratuities paid to retiring Canadian National and Grand Trunk officials, and to the members of the English board of the Grand Trunk on their retirement. As the information was only brought down on the day of the adjournment there was not much chance for an expression of opinion, but members have privately expressed their views very freely.

D. B. Hanna received a gratuity of $35,000, or a year's salary; A. J. Mitchell, formerly vice-president of the Canadian Nationals, got $20,000; S. L. Shannon, comptroller and treasurer, got $3,000 in addition to superannuation. Apparently this is about all that Canadian National officials got. There is also something to be said in the defence of their gratuities, it being understood that it is customary for railways to make a gift of six or twelve months' salary to higher officials when they are being retired. It may also be said that the three Canadian National officials in question have not received pensions. The gratuities were granted by the Canadian Northern board of directors in September last.

The gratuities granted by the Grand Trunk boards will probably come in for most criticism, for in some cases they were granted to persons who received pensions on retirement, while others got good appointments on the reorganized Canadian Nationals. The official statement says: "preliminary to superannuation," the following gratuities were voted by the Grand Trunk Canadian board: F. Scott, vice-president and treasurer, salary for four months, $6,000; R. S. Logan, vice-president,

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WHO OWNS PLACER GOLD OF LABRADOR?

Canada and Newfoundland Both Lay Claim to Stag Bay Area

The Federal Department of Mines will not send a survey party to investigate the occurrences of placer gold at Stag Bay on the Coast of Labrador. In making the statement to THE FINANCIAL POST, Dr. Charles Camsell, deputy-minister, gave as the reason that the claims staked at Stag Bay have been recorded with the Government of Newfoundland at St. Johns, and although the territory is still in dispute between Newfoundland and Canada, the government of Newfoundland is for the time being exercising jurisdiction over it.

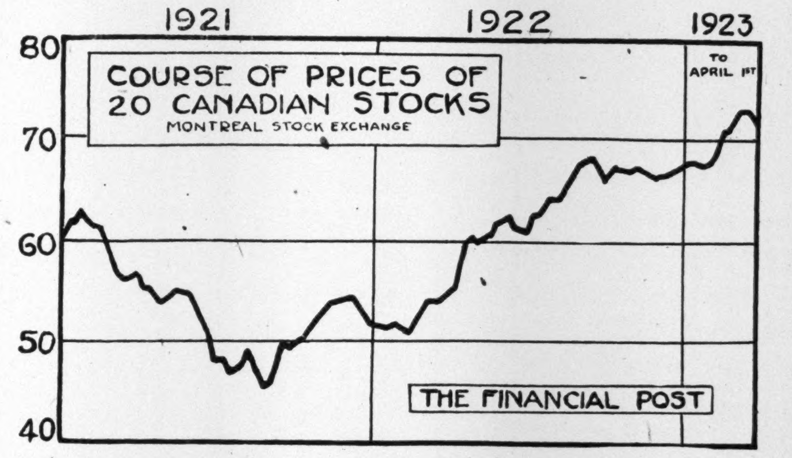
Penman's Stock "Split" Story Still Guesswork

From Our Own Correspondent.

MONTREAL.—The rise of eight points in Penman's common in one day's trading was based more on speculation as to what the directors are likely to do dividend-wise than on any actual plans made to date. No meeting of the board has dicussed the possibility of a split-up of the stock, as the market traders suggested.

Penman's 1922 statement showed a healthy situation and there is no doubt the company could stand a division of the stock along the lines of the Dominion Textile split-up, but the matter is still in the future. At 157, Penman's was at the highest point in its history. It touched 149 in 1920.

What the Stock Market Shows



As this chart indicates the stock market has been continuously keeping in advance of the improvement in business conditions and from the low point in 1921 stocks touched the high level towards the end of March. There has been some slight reaction from the high point. Such reaction was inevitable; a sustained advance in securities for nearly two years would be remarkable without a settling down process somewhere along the line. Business men will feel that the stock market advance forecasts still greater improvement in business for it is generally recognized that securities are always in advance of business conditions, usually about six months in advance. Investors will move cautiously though; the downward movement of the curve has been slight and it may be wondered if the market has not discounted all the improvement business is likely to show for some months; if many stocks are not actually selling higher than present conditions warrant. The chart was prepared by THE POST from the market records of O'Brien & Williams.

MUCH BUILDING UNDER WAY; MAY INFLUENCE RENTS

Houses Remain Unsold from 1922—Industrial Construction Leads

Building is going ahead apace in most parts of the Dominion, and the extent or volume that it reaches will likely be the governing factor in the matter of rents. Across the border the prediction is made that rents will have dropped in all sections of the country by spring. This is not predicted here. One factor that will undoubtedly effect rents ultimately is the amount of residential building. This was also heavy in the 1922 construction program. It is not in the forefront so far this year. Residential activity is slightly less with the building of a better class of homes in evidence. However, in many sections there are houses remaining unsold from last year, and the extent that this total is increased will prove an important influence on rentals.

The course of construction operations points to a period of expansion. For the first quarter of 1923 the value of construction contracts awarded throughout Canada, according to statistics compiled by MacLean Building Reports, Limited, was $43,107,400 compared with $32,575,900 in 1922. It is when the figures are compared month by month, however, that recent developments are seen to advantage. Building operations in January totalled $9,840,800; in February, $13,311,800 and in March $19,954,800. The tendency is toward increased activity in business and industrial building. The total for these two groups during the first quarter of 1923 amounting to $25,545,000, compared with $10,748,900 in 1922.

With building costs practically stabilized, a plentiful supply of mortgage money, efficient labor, and with the immense accumulated arrears of building postponed during the war and subsequent inflation phase to catch up with, the prospects are bright for the most expansive period in building that Canada has yet witnessed.

THE PROOF OF THE PUDDING

"I have just received my second copy of the POST and I certainly wish I had known of it years ago. For people away from the centres it fills a void."—A Prince Albert Sask., physician.

"Your policy as outlined in 'Appreciation in the West,' certainly helps to make your paper a good paper and your sound advice on financial matters is going to keep it a good paper. My great regret is that I did not know of it sooner than I did. The small subscription price is easily saved many times."—A Campbellton, N.B., investor.

MORE RAIL LINES ARE NOW PLANNED FOR THE PRAIRIES

Government Intimation That it is Very Good Politics

From Our Own Correspondent.

OTTAWA.—The government intends to undertake the construction of quite a few branch lines in the West this year, and will continue doing so for some time. Hon. G. P. Graham, who is in the railway portfolio to stay, has always been alive to the importance of construction in the prairie provinces, and having a free hand, he is prepared to go ahead. This is what he said on the subject last week:

"Nothing will be found in the estimates for new construction during the coming year, but I might say in palliation of that offence, that it is the intention of the government to submit to the House a little later on in the way of legislation, a program of construction extending over a term of years. That will be decided by parliament after discussion, and the public will know just what the Government proposes to try to do, aided by Parliament during the next three years, in the way of construction. It will not mean that Parliament will be tied down to that program of construction, but it will be a guarantee to the public of what parliament intends to do along that line.

Is Optimistic

"While I believe that we must be economical and keep as close in our expenditures as possible; nevertheless, we cannot blind our eyes to the other side of the picture. If the members of this Parliament on both sides of the House, including the Government, do not take somewhat of an optimistic view of the future of Canada, then we cannot expect the people of Canada, or the people of any other country, to believe in Canada."

Evidently the government thinks that some of the discontent on the prairies is due to lack of railway facilities promised to settlers some years ago and which are long overdue. Apparently it has also been represented to it that some of the emigration from the prairies is due to the failure to provide these connections. So one finds the minister saying of the proposed expenditure:

"I believe it will be seen that it is not for the purpose of making extravagent expenditures, but of carrying out the ideas so often expressed in this House in regard to making the people of this country more contented; for I admit that a contented settler is the best advertisement that any country can have.

"I leave it to the consideration of the House whether, under these circumstances, it is not the duty of the Government to go to the aid of the people in some cases, even if we know that the undertaking will not pay in dollars and cents at the present time."

It may be a mere coincidence, but true nevertheless, that there is an important by-election about to be held in Moose Jaw, Sask., where this announcement will not be overlooked.

Hydro Anti-Drury Campaign

The political campaign of the Ontario Hydro machine against the Drury government has been launched. The Ontario Municipal Electric Association, with the usual tub-thumping, characteristic of the tactics of Sir Adam Beck and his well-organized forces, have passed a resolution demanding such action "as will relieve the Provincial Government from all financial responsibility and place the administration and control of the Hydro-Electric System in the hands of the municipalities which are owners and are financially responsible for the undertaking."

The municipalities know full well that the bonds for all the Hydro projects have been guaranteed by the government. That guarantee made the Hydro undertakings possible. Further, the government has advanced the millions for Chippawa. The government cannot avoid that responsibility.

Do the municipalities seriously suggest that the government of Ontario should now repudiate the guarantees given to investors who bought government-guaranteed bonds? We do not for a moment think so. They know that it is inconceivable that the government should take such a step.

The tactics of this week's convention of the municipalities are as old as Hydro. Always the same calling together to representatives. Always the same appeals to enthusiasm. Always the same demands on the government backed by the voting power of the municipalities.

The present demand on the government is not actually that guarantees be repudiated. The demand really is that guarantees for many additional millions be extended to finance a system of radial railways which has been condemned after the most fair and searching investigation. The government has already legislated to allow the municipalities to go ahead without government guarantees if they want to—if they think that they can raise these additional millions on their own credit.

Premier Drury has shown courage in trying to exercise some reasonable control over Hydro finances and Hydro projects. The Hydro municipalities have now, in effect, threatened him with their political power if he continues this policy. His courage in giving Ontario sound business government is again to be put to the test.

THE RAILWAY SNOWBALL OF DEBT GROWING

Fixed Charges Are An Ever-Increasing Burden

CANNOT EVADE IT

People Likely to be Misled by Statement That Operating Revenue Equals Operating Charges

Special Correspondence.

OTTAWA.—The annual statement by the acting Minister of Railways and Canals did not contain many elements of novelty. It announced no departures from established lines of policy. It merely confirmed in an authentic way the fact, which had already been made public, that in 1922 the Canadian National Railway did a little better than balance operating income with operating outgo. This it did by incorporating the figures of the Grand Trunk with those of the hitherto recognized group, although the Grand Trunk was not legally taken over until January of this year. That, however, is a purely technical point.

There was, however, a very real and a very substantial deficit for the year. The Minister made it plain, after accentuating the modest operating surplus of two millions odd, that fixed charges had to be taken into the reckoning, and, to use his own figures, he placed the amount of that deficit at $60,251,845. This, he claimed, was a betterment of $12,410,433 as compared with the result for 1921, and, accepting his method of accounting, that statement is no doubt correct. Nevertheless, sixty millions odd of a shortage is rather a serious matter. It must impress on every thinking mind the fact that we still have on our hands a formidable railway problem and a strong challenge to the sagacity of the Canadian people.

Other Fixed Charges

We must all see, however, that the actual deficit on account of our nationalized railways was very much larger than the sum announced by Hon. Mr. Graham. The sixty millions odd had reference only to fixed charges attaching to certain units in the Canadian National group, namely, the

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OWNERSHIP BY THE CUSTOMER A PUBLIC EDUCATOR

Policy Widely Adopted by Public Utility Companies

LEADING TO THRIFT

Men, Women and Children Saving Because New System Has Taught Them How to Save

By JAMES B. WOOTAN,
In Public Service Magazine.

The now almost general policy of public utility companies to increase the sale of their stock, bonds and short term notes to the people as a whole is bearing fruit of more than one variety. First, it transfers the company's base of money supply from a distant to the local field. Second, it enables the people served by the company to share directly in its prosperity by thus becoming part owners of it. Third, this gives the people the opportunity of putting their money to work in a home industry, an industry whose products they are using every day and every hour in the day, where they can see their money work for them in the upbuilding of the industry that is basic to every home and business in the community.

Another very rich by-product for the people, and by no means the least of all is the educational value and effect of this system of customer-ownership, or partnership. The utilities are rendering a public service as educators which may be considered quite apart from any selfish interest. Up to the time of the liberty loan, the great mass of people didn't know what it was to save and invest systematically in any form of security. The liberty loan started them, gave many a one his first lesson and his first security. But it did it largely from the appeal of patriotism. That was none the less a good thing. But something was needed when the war passed and with it the full flush of patriotic impulse to keep the people going in this good work. That something was supplied in the larger activities of the public utility companies in offering their securities to the people.

Customer Ownership Antedates the War

Just here it should be said that customer ownership did not get its original inspiration from the war or the liberty loan. It is older than that. It began to flourish on a broad scale back in 1914. As a matter of fact from June, 1914, to June, 1915, at least one of the large gas and electric companies of the country sold more than $7,000,000 of its preferred stock to its people on this basis. So that customer ownership was well established as a permanent principle (and not merely a temporary expedient) of new financing by public utility companies long before ever America entered the war or felt the need of the liberty loan. The liberty loan did, however, stimulate the demand and saving habit, needing customer ownership, in turn, to pick up the good work and carry it on; to "keep the home fires burning."

So now this method of the popular marketing of the securities of public utilities has become the rule and not the exception. The result already is that with the exception of government bond holders, the owners of the public utilities, reaching far into the millions, outnumber any other single group of investors. So much for the fact that the utilities are not owned by "Wall Street," or the "money barons," or any other scarecrow of politics or bogey man of socialism. They are owned by the people, more extensively so than in any other business or industry.

The Big Educational Factor

And this steadily increasing distribution of ownership is the big educational factor. You are hearing less and less of the blue sky artist, of the "Get-Rich-Quick Wallingfords," of the Ponzis and all that vast fraternity of green goods boys who thrive off popular ignorance and credulity. This class of fake stock seller or fake promoter is not extinct and never will be, so long as human nature exists, for there is one element in human nature which sometimes makes a man listen more eagerly to fraud and bunk than to truth and reason. There are some good people who can't even be protected against themselves. But on the whole the fake promoter of worthless stock and bond enterprises is having a harder time and will have an increasingly harder time panning his frauds off on the people as they inevitably become better able to judge for themselves between sound and spurious securities, as a direct result of the education they are receiving through the operation of customer ownership.

In thus educating the masses in this vitally important field of knowledge, the public utility companies are performing a service the value of which would be hard to appraise and they are doing it free of charge. Cities, states, commissions, are often put to severe tasks in appraising the tangible property of the public utility. Much time and talk is consumed in fixing values, as the basis of determining the rate of return the company shall be permitted to earn. But here is a task of appraising of valuation far more complex and difficult than any affecting the tangible property, or even the "going valve" of a property. The engineer whose genius can approximate an adequate value of this educational, almost philanthropic service on the part of the utility, may lay claim to learning and erudition which has not yet revealed itself in even the most profound and salient members of his profession.

Leading Thousands Into Thrift

Thousands of men, women and children are saving money to-day because utility's customer ownership plan of investment taught them how to save; taught them the wisdom and the value of saving; taught them that saving was the highest form of investing when their money was placed in the securities of an industry whose service is indispensable to modern community life. This means more than individual education. It means more than personal prudence now and competency in the future. It has a social value of far reaching proportions. What does it mean to the community, to society as a whole, to have an ever-increasing part of its saving instead of wasting money, investing instead of hoarding. Here is a plan which affords to the poorest, to the smallest wage earner, a profitable means of saving and accumulating, laying the foundation to prosperity, even upon a modest scale. Prosperity means happiness. Thrift and frugality of this sort tend to rid people of prejudice, of envy. It gives them a clearer vision of facts and conditions, leads them to a better sense of proportions. It tends to raise the whole level of social and economic thinking. And this in turn contains a moral value which goes to the very heart of our whole social system.

B.C. TIMBER HOLDERS WANT ROYALTY CUT

Complain That Conditions Are So Severe That Developments Abandoned

From Our Own Correspondent.

VICTORIA—Efforts are now being made to straighten out British Columbia's timber royalty problem, which is believed to be one of the most formidable obstacles in the way of timber development in the province. Under the present royalty system timber holders are obliged to pay a rate to the government which is so high that further tenure would result in bankruptcy eventually, and for that reason the timbermen have held several conferences with representatives of the government with a view to modifying the charges.

The present system is so severe that negotiations for extensive pulp and paper and lumber developments have recently been abandoned, and while they are likely to be renewed at a later date nothing will probably be done until the charges have been revised on a basis that gives better guarantee of future operation on a profitable basis.

The government has flatly refused any proposal contemplating fixed royalties over a term of years longer than five years. The timbermen have asked for a fixed royalty for twenty years, but that has been turned down. All interests, however, appear to be in favor of basing royalty in future on stumpage instead of on the wholesale selling price of manufactured lumber, as at present. This will make it necessary to work out some plan for the valuation of British Columbia timber in a far more thorough way than has been done in the past, and when that has been done the government and the timber owners will decide a workable plan of assessment and decide for how many years the charges are to be allowed to remain fixed,

CANADA PROTESTS RESTRICTING SHIPS

Declares U.S. Has Not Power to Specify Use of Vessels After They Are Sold

WASHINGTON. — The Canadian government has filed a protest with the State Department against a clause in the contract of sale of U. S. Government ships, prepared by the Shipping Board, that the vessels cannot be used for any purpose which is illegal in the United States.

It appears that a few small ships of the government merchant fleet were recently sold to private individuals in Canada and that protests have been filed with the Canadian government by certain dry forces in this country who charged that they are being used as rum runners in violation of the contract of sale.

The ship owners turned the matter over to officials of their government, who in turn took the question up with the State Department. Negotiations on the subject are now going on between the two governments.

That there is such a clause in the contract of sale of American vessels was admitted by Commissioner Lissner of the Shipping Board, who also confirmed the report that a controversy has developed with the Canadian government over the issue.

A mild sensation was created when the provision became known. The impression prevails that it was placed in the contract at the suggestion of the Anti-Saloon League to prevent the use of the large fleet of lake vessels for sale, which might be used for rum running in the waters connecting this country with others which are wet.

The Canadian government, it is said, has expressed the firm opinion in its communication to the State Department that it is not within the province of this or any other government to specify for what use a vessel can be put after it is sold to other nations.

New profession for women recognized when 60 feminine shipping agents from various parts of Great Britain gathered at Liverpool by invitation of Canadian Pacific Line, and paid visit of inspection to liner Montrose. Many flattering things were said regarding their capacity for getting business.

SEES HIGHER RETAIL PRICES IN THE FALL

James S. Alexander Foresees Result of Costlier Production

Speaking at a dinner of the Passaic National Bank and Trust Company (New Jersey), James S. Alexander, president of the National Bank of Commerce in New York, made the following comment on business conditions:

"In the judgment of the banking community and of the further seeing manufacturers and merchants there is jusification for expecting the continuance of good business at present levels for a considerable period, unless, unfortunately, prices of raw materials should rise too high and wages should be substantially increased. A large part of the business community of the United States is resisting present inflationary tendencies. Wise manufacturers are refusing to accept orders of doubtful firmness and they are scaling their orders on the basis of what they believe to be the reasonable needs of buyers.

"As yet retail prices reflect only in small measure the increases in costs of production which have already come. The effect of these increased costs will, however, he felt with full force in autumn business.

"Relatively the position of producers of grain and livestock is more adverse than a year ago. Farmers are buying as much as they can but it is certain that with rising prices their purchases will be limited.

"The year has begun with every prospect of a building boom, but unless prices and wages can be stabilized, activities in the building trade may be checked. Any marked curtailment of building in the country would quickly make itself felt in unemployment and in depression of allied industries, and would seriously affect the prosperity of the country.

"The choice of whether we are to have a short period of rising prices and wages, with sensational and speculative profits and equally sensational losses or a longer period of stable and profitable business, rests in no small measure with the judgment and courage of the thoughtful business men and the bankers of the United States."

IMPLEMENT COSTS AGAIN ADVANCING

But There Will be No General Increase in the Prices to the Farmers

From Our Own Correspondent.

REGINA.—Though there has been an advance of approximately 30 per cent. in the cost of raw materials used in the construction of agricultural implements, retail prices will be practically unchanged in the West during the present season.

The raw materials cost approximately 95 per cent. above the pre-war levels, according to an implement dealer who stated to THE FINANCIAL POST that in the spring of 1922 raw materials were only about 65 per cent. above the 1914 costs. He cited the most important percentages of advances since April 1, 1922, in materials entering into the construction of implements, as follows: hot rolled bars, 31; cold rolled bars, 22; bar iron, 23; bolts, nuts and rivets, 49; soft steel centre, 14; solid ploy steel, 64; malleable iron, 46; pig iron, 39; lumber, 12.

Practically all firms doing business in this, the world's greatest distributing centre for agricultural implements, report reduction in retail prices of a few lines only, the remainder being unchanged with the exception of a few lines where slight increases are noted.

One firm reports reductions of 15 to 20 per cent. in their 1923 prices for plowshares and plow bottoms as compared with the 1922 scale; also a 3 to 5 per cent. decrease in the price of small gas engines.

Another firm reports that approximately 90 per cent. of their spring shipments were sent out at the 1922 prices before the 1923 lists were received.

A largely increased implement business is noted in the country south of the Canadian Pacific line to the border. North of the line business is reported to be patchy.

British Trade Being Strangled by Taxation

In a presidential address to the Federation of British Industries at Birmingham, Sir Eric Geddes laid great stress on the effects of over-taxation on national industry. He said it was clear from the export and import trade of the country, which was the best barometer, that there was a recovery and general improvement in 1922 compared with 1921. In 1922 British exports were 70% of 1913, and imports 85%, but Great Britain had to face greater burdens, and a higher level of industrial activity than existed in 1913 must be reached. Sir Eric asserted that the trade of the country is being strangled by high taxation, to such an extent that savings which should in the ordinary course provide capital for industry, are checked.

Eastern Manufacturers Talking of Secession

From Our Own Correspondent.

ST. JOHN.—The question of freight rates westward is now a vital topic of discussion in the maritime provinces. The rates must be substantially reduced according to leading manufacturers of New Brunswick, Nova Scotia and Prince Edward Island, or all three provinces will secede from the union established at Confederation.

Exorbitant freight rates—to this cause is attributed stagnant conditions in industry in the maritime provinces. Maritime manufacturers allege the rates are so high that possibilities of competition with Ontario and Quebec manufacturers in the Western market are nullified. The matter of secession is now seriously discussed by responsible and prosaic manufacturers and men prominent in the commercial life of the three provinces by the Atlantic.

BIG PACKING DEAL

J. Ogden Armour announces final acquisition of Morris & Co. by Armour & Co. through a subsidiary, the North American Provision Co. Purchase price $27,450,000, to be made, approximately, in $2,750,000 cash, not more than $5,000,000 par value preferred stock of Armour of Delaware, $9,000,000 preferred of Armour of Illinois and $10,700,000 class "A" common of Armour of Illinois.

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SASKATCHEWAN DAIRY OUTPUT GROWS RAPIDLY

Development of Winter Production is a Feature

MIXED FARMING

Realization That Success of Prairie Farms Depends on Getting Away Straight Wheat Growing

From Our Own Correspondent.

REGINA.—The experience of the dairying industry in Saskatchewan, during the past year in particular, has been the development of winter production. In November, December, January and February, 1921-22, the production of creamery butter was 909,252 pounds; in 1922-23, for the same four months, creamery butter production rose to 1,605,841 pounds, nearly 100 per cent. increase.

Development in the dairying industry has followed close upon the deflation of grain prices and other general after-war conditions. Farmers are just beginning to realize the profitable and certain returns from milk, cream, butter, cheese and other dairy products, which, unlike wheat, are not subject to violent market fluctuations and which are not affected by hail, insect pests, drought and other adverse conditions which so vitally react upon grain crops.

There are only 163,000 farmers in Saskatchewan. In 1922 the value of marketed farm products in the province was estimated to be $500,000,000. Of this, approximately $25,000,000 is direct returns from dairying. Farmers were paid for dairy products sold off the farm, $9,493,600, the difference being represented in profits made by dairies and increase in values resulting from finished products. The total butter production in the province for 1922 is placed at approximately 9,000,000 pounds. This, however, is exclusive of the immense quantities made by farmers for consumption on the farms.

More Dairy Herds

Difficulty in securing labor and the fact that dairying in the grain-growing areas must be more or less seasonal, have hitherto proven serious obstacles to development. But for the coming year, officials of the dairying branch of the provincial department of agricultural assert, prospects for unprecedented increase in activities were never better. To-day, many of the established grain growers are turning their attentions to the establishment of good dairy herds or building up where some good foundation stock already exists. Pure bred cattle are at a premium, in spite of the low ruling prices for beef cattle and the good dairy strains are always in demand.

In 1922 there were several hundred new silos constructed by farmers making a start in the dairy business and many more will be prepared for the crop of the coming season. A corn growers' association with many new members was recently formed in the southwest part of the province and this movement augurs well for dairy development.

The advance of the industry, showing the increasing tendency to use the dairy cow as a money-getter, is shown by statistics for 1922 and the first two months of the present year.

Increase Continues

The year 1922 established a record for production, but the figures for the first two months of 1923 show a very surprising increase over the same months one year ago. In January, 1922, the creameries of the province manufactured 229,400 pounds of butter, while for the same month this year the output was 370,300 pounds, an increase of 61.4 per cent. For February, both the output and percentage increase was larger. February, 1922, yielded 236,600 pounds, while the output for February, 1923, was 400,715 pounds, an increase of 69.7 per cent.

The large size of Saskatchewan farms, affording splendid facilities for pasturage and the growing of crops for ensilage, make the maintenance of a large dairy herd much less of a problem than in the older and more thickly settled portions of rural Canada and the United States. When labor becomes more plentiful and creamery facilities catch up with the demand, there is little doubt but that Saskatchewan will rival, if not out-strip, her established sister provinces.

Costs Thousands to Fight Grasshoppers

From Our Own Correspondent.

REGINA.—Indication of the immense cost to the province in fighting the grasshopper pest is given in figures submitted by Hon. C. M. Hamilton, to the provincial legislature. Since 1919, a total of $730,275 has been expended by the government for poison bait alone, of which amount $326,852 was borne by municipalities.

Added to the above must be taken into consideration the large amount of poison bait purchased independent of the government by municipalities and individuals. This has been placed at $250,000 per annum.

For the government measures to keep down the destructive pest, it is stated by Mr. Hamilton that during the four years 251,000 acres of crop were destroyed by hoppers, or about 4,000,000 bushels of wheat; as a result of the organized fight, however, 3,256,000 acres were saved from damage, involving conservation of approximately 112,356,000 bushels. Labor in connection with hopper destruction costs several millions annually.

Swedish Pulp Strike is Not Yet Settled

From Our Own Correspondent.

MONTREAL. — Cablegrams from Stockholm to the American Paper and Pulp Association indicate that no immediate settlement of the strike in the pulp mills of Sweden is to be anticipated.

Following is the latest message from Stockholm: "The failure of the arbitration in the saw-mill conflict tends to postpone a pulp settlement. The government arbitrator continues his efforts, but his powers are limited to suggestions, which have not thus far been well received by either side.

"It looks as though the 17,000 men employed in the pulp mills would not go back to work in the near future. It is very difficult to prophesy, however, as conditions might change at any time."

The strike has stiffened pulp prices and Canadian mills feel some benefit.

If Americans Grow Less Wheat Canadian Farmers Will Benefit

Proposal to Reduce American Wheat Area by 1,000,000 Acres —Situation Worse in Western States Than in Canada— Little Faith in Price-Fixing

From Our Own Correspondent.

WINNIPEG. — Manitoba agriculturists and Winnipeg business men have been taking an immediate interest in the farmer-banker conferences of the past week at various centres in North Dakota. They have quickened to a realization of the benefit which would unquestionably accrue to Western Canada if the American bankers' proposal that United States farmers should effect a million-acre reduction in wheat acreage is concluded. With the United States out of the export market the Canadian farmer should benefit by the added opportunity to market his crop abroad.

The banking party of the North Dakota conferences was headed by John R. Mitchell, director of the federal reserve board of Washington, D. C., and Curtis Mosher, assistant federal reserve agent of the 9th district. The meetings were really fostered by the Minneapolis federal reserve. The bankers have endeavored earnestly to swing the farmer opinion away from the five-year wheat pool, but several of the farmers' conventions have gone overwhelming on record in its favor. The plan, according to John R. Mitchell, of Washington, head of the federal reserve board, has absolutely no government sanction, as Congress shelved this question but recently, and any legislation in that direction is out of the question until late in the fall of 1924. The move, however, is in such bad grace with eastern politicians and business men that Mr. Mitchell does not think there is any possibility of congressional support for it then or in the future.

Mr. Mitchell's solution of the United States farmers' problem is thus summed up: "The consumption of wheat must be so increased and the production so decreased that exports will be done away with, resulting in a price equal to the Canadian price plus the tariff.

Briefly Mr. Mosher made the following points:

1. Farmers of the northwest are not making money because they are sticking too close to wheat raising.
2. Wheat growing is not profitable in the northwest because wheat must be sold in the world market in competition with wheat raised more cheaply.
3. A change in methods is imperative. Business leaks must be plugged. The production of wheat must be curtailed.

The remedies expounded were:

1. Substitution of flax for wheat on about 1,000,000 acres in the northwest.
2. Discontinuation of wheat growing on unsuitable wheat acreage, added during the war and amounting to about 21 per cent. of the farm lands in the northwest.
3. Increase in live stock production, and, for this purpose, utilising acreage now devoted to wheat growing.
4. Financing of diversified farming by means of the new farm credits bill.
5. Effecting these proposed changes through proper forms of organization conducted on a sound business basis.

Eat More Wheat

The "eat more wheat" campaign was adverted to by both Mr. Mosher and Mr. Mitchell. This campaign has as its objective the inducing of every United States citizen, man, woman and child, to eat an extra slice of white bread at every meal.

Many of the farmers present were inclined to get enthusiastic over the proposal and Mr. Mosher was cheered after his eloquent advocacy of the scheme. It was easy to put over, in his opinion, and he cited the "have-you-had-your-iron-to-day?" campaign as an illustration. He thought that it would be better for the citizens of the United States to eat wheat products than other breakfast foods, and estimated that the surplus 200,000,000 bushels of wheat a year could be disposed of in this way.

Dean Coulter, of the North Dakota Agricultural College, however, was an unlooked-for antagonist and he put such a crimp in the argument that, instead of endorsing the campaign the farmers commenced to ridicule it before the close of the meeting.

"I believe," said Professor Coulter, "that 99 9-10 of the people of the United States are eating just as much white bread as they want to eat and that the extra slice would 'gag' them, but, for the sake of argument, suppose all did manage to swallow the extra slice until they developed a new and expensive stomach trouble, it would simply mean they would eat so much less pork. There would then be a surplus of pork. Would the bankers then start a campaign of 'raise less pork.'?"

Losing Confidence in Banks

Out of all the discussion it is significant to find the American farmers advancing much the same arguments against their banks as have been advanced from time to time by the United farmers in the Canadian West. However, the situation in North Dakota as regards the relation of the banks to the farmers is vastly different than has ever existed in this country for the reason that across the line the farmers have learned to distrust the banks by reason of many insolvencies. At no time has this menace presented itself to the farmers of the Canadian West. "North Dakota farmers distrust the banks and not without reason, for there have been many bank failures in the state during the last two years," says Fred Johnson, of the Winnipeg Tribune, writing from Bismark, N. D., "which have badly hit agriculturists." Mr. Mosher explained these failures by stating that there were altogether too many banks and he urged fusion of several of them. "There are 600 banks in North Dakota," he said, "or one for every 768 persons."

Mr. Mosher argued against paternalistic measures. "The man who leans upon legislation for support at this time," he said, "is going to be a disappointed man. He is placing his reliance on something that has never solved an economic problem. There is no single remedy. The cure must come from the farmers themselves. The farmer and business man are both in the same boat and any legislation which rocks that boat imperils both." Continuing, Mr. Mosher urged mixed farming to such an extent that all expenses on the farm would be paid by it. Then, he pointed out, whatever wheat the farmer raised would be velvet.

Should Help Canada

Mr. Mosher might have been talking to Canadian farmers. Realization of this is emphasized by the Winnipeg Tribune in its editorial comment: "Any farmer can do more himself to put his farm on a paying basis than all the governments, all the bankers and all the experts in the world can do for him. There is no easy or royal road to prosperity in the agricultural industry. Pinning one's faith to a wheat board, or limitation of production, or anything in the way of patent medicine remedies, will only lead to disappointment. Hard work, good business management and good farming judgment, will make a farm prosperous, and nothing else will."

There can be no denying, of course, the benefit which would accrue to Canada's western wheat farmers if their American neighbors ultimately decided to curtail their wheat production, because, after all, the financial return for our prairie wheat crop is based entirely upon supply and demand. It was recognized by the speakers at the North Dakota conferences that the Canadian wheat is in greater demand, demands a higher figure and that Canadian soil as a general rule has greater production value. For this reason, apparently, the American bankers have thought it wise to advise the Northwest state farmers against the futile attempt to compete with the Canadian wheat grower. Mr. Mitchell, in an interview at Grand Forks, N. D., expressed the opinion that a wheat board for the Canadian three prairie provinces would be an expensive folly. He opposed any form of price fixing as economically unsound.

HOW SASKATCHEWAN PROTECTS INVESTOR

Some Instances Where Permission to Sell Securities Has Been Refused

According to a statement sent to THE FINANCIAL POST from the office of the Legislative Council and Law Courts of the Government of Saskatchewan, the L. R. Steel Company was not the only promotion the securities in connection with which were banned under the Sale of Shares Act with benefit to the investing public, the following statement has been issued:

In 1919 the Regina Oakoal Company, with a total capitalization of $125,000 applied for a certificate. This company was really a branch of the Nukol Fuel Co., Ltd. of Toronto, which endeavoured to make briquettes from coal and waste. The Nukol Fuel Company went into liquidation some time ago with heavy liabilities.

The Gregory Tire and Rubber Company was also desirous of parting with its stock to people in Saskatchewan and for this purpose made several attempts in 1919 and 1920 to obtain permission for that purpose, but all without avail. In October last, according to a Vancouver paper, action was started in that city to recover from Gregory and others $650,000 of stock and $100,600 cash, said to have been transferred to the defendants in consideration of the sale to the company of certain patents regarding the use of fish paste as a substitute for rubber.

In 1919 an application for authority to sell Riordon Pulp and Paper Company bonds was unsuccessful.

The L. R. Steel Company applied to the Local Government Board for a certificate in July, 1920, and its application being refused persistent efforts were subsequently made to have the board reconsider its decision, the last of these being on February 25th last. The result of this company's operations are now only too well known.

In August, 1920, Allen Theatres, Ltd., with a capital of "not less than six million dollars" applied for permission to sell shares in Saskatchewan. The permission was not granted, as the plan of conducting their business, particularly the salaries to be paid to the Allens, made it difficult to believe that the purchaser of their securities would receive a fair return on the money invested.

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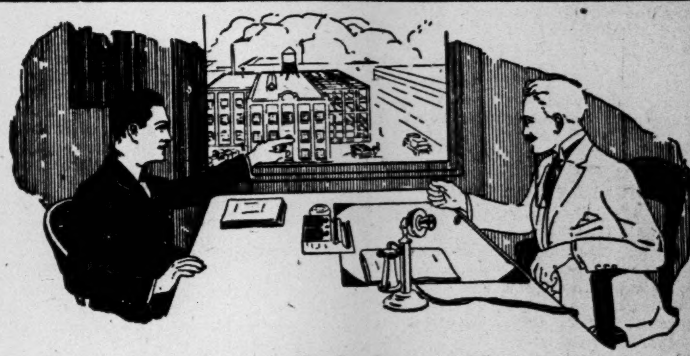

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MORTGAGE ASSOCIATION

Officers Elected at Annual Meeting Last Week

The following officers were elected at the annual meeting of the Dominion Mortgage and Investment Association in Toronto last week: Honorary presidents, A. D. Langmuir, Hume Cronyn, E. M. Saunders; President, J. C. Breckenbridge; first-vice-president, A. B. Fisher; second vice-president, C. S. Macdonald; secretary-treasurer, John Appleton; executive committee: Insurance—Chas. Ruby, A. B. Wood, J. F. Weston, G. B. Woods, E. E. Reed; Loan—M. Aylesworth, Joseph Campbell, W. E. Long, G. H. Smith, T. Taggart Smyth; Trust—R. P. Jellett, S. C. Macdonald, J. K. Pickett, E. B. Stockdale, W. G. Watson; Western representatives—C. C. Ferguson, W. A. McConnell, W. T. Creighton and Col. G. H. Dorrell.

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MARKET NEARING TOP: NERVOUSNESS SHOWS INCREASE

Brokers Advise Clients to Watch Trading Trend Closely

MINES POPULAR

Silver and Low Priced Gold Issues Come in for Tremendous Volume of Trading

Watch the market closely, a recession may come at any time, is the advice that is being handed out by brokers to their clients. The advance in the list has been going on for a year and a half. Last week THE FINANCIAL POST published a table giving the range of prices that investors might be better able to gauge the position of their securities. "We are getting near the top," declared the brokers in discussing the outlook. They are agreed that the market may go higher. They also state that there is bound to be frequent periods of softness, such as has been recently noted. One of the leaders of the Stock Exchange who has his finger on the pulse of the market, stated that the best advice he could give would be, to keep the boat fairly close to the shore so that it would not be a hard matter to get out, if one had to move in a hurry.

The tractions issues have been the most active of the general list during the week. The market has maintained its firmness for the most part, with a little period of easing appearing now and then. Some of the specialities have been in the forefront. The paper group has been easier. The bank stocks are showing their first real easing up since they started upward after the first of the year. The investment demand for this group seems to be in a measure appeased. Bond trading on the market has been heavy, but here also there has been a tendency to weakness.

The mining issues have provided a great deal of trading on the regular exchanges as well as on the standard. There have been no more million share days, but the list continues buoyancy with the tendency upwards. Declines have been minor and due to profit taking which must be expected from now on, due to the fact that there has been a general rise of from 3 points upward in practically every issue. The silver issues have been heavily traded in. In fact the leading golds have been more or less neglected for the smaller ones and the silvers. The Lorrain camp has been the cause of this awakening.

The Gotham market has been weak of late. Many of the market leaders of the U.S. are pointedly calling attention to the fact that the list at New York may break any time. Spencer Trask & Co. point this out and also the fact that there are still some chances for price enhancement on some issues which are also true of the Canadian lists. They say:

We are very much inclined to think that we are approaching the last stage of the bull market. At this stage it behooves those who have good profits to begin taking them, but where traders are willing to assume a certain amount of risk and to limit their operations to certain stcoks, we think they should still be able to make satisfactory turns. As regards the bond market, no actual signs of improvement have as yet come to the surface, but it has been a matter of common observation that issues bearing a 6% coupon rate have been able to make a remarkably strong resistance to the general trend.

Basic conditions continue to be favorable. The latest railway earnings, though not making on the whole quite such a favorable showing as in January, largely because of weather conditions, have nevertheless been on a very satisfactory scale. It might be noted in this connection that the car service division of the American Railway Association has just announced that car loadings of revenue freight to date this year have been heavier than ever before in a similar period in the history of American railways.

Prices of commodities continue to register a rising tendency. So far, the largest percentage of advances has been in raw materials, but, with greater consuming activity, finished articles are beginning to show proportionate rises. In certain cases, such as sugar, the advance has been quite sharp, but the efforts that are being made to prevent runaway markets are exerting a good deal of influence. With the presidential election coming next year it is quite apparent that the powers that be will do all that is possible to prevent an outburst of inflation which would be sure to result in a collapse, for a business collapse in a presidential year is the last thing the Republicans would want.

Money continues to be firm and is less freely offered than in the immediate past. Still, the percentage of reserves remains so high that the Federal Reserve banks have plenty of margin for a further large volume of credit, if they wish to have it used. In other words, it is, in our opinion, a theory rather than a condition that confronts them and that will decide their policy in the way of rates.

A typographical error in a recent market table misquoted the prices of A. McDonald common, which should have read: High end 1919, 46½; high since, 44; low since, 9¾ and present price 10.

East Kootenay Power Co. Ltd. 7% Bonds

Revenues from present contracts are estimated to show a substantial amount earned upon common stock after bond interest has been paid.

This is a long term bond carrying a bonus of common stock and the security of a Company serving a rich and growing territory.

Price and particulars upon application.

NESBITT, THOMSON
and Company, Limited
305-7 Bank of Hamilton Bldg.
TORONTO

Montreal Hamilton
London, Ont. Winnipeg 220

NEW PULP PLANT

Big Concern Gets Ready to Start Building in Manitoba

Details of the J. D. McArthur pulp and paper plant in Manitoba were recently announced when extension of a railway charter, the Fort Alexander Railway, was sought by the legislature. The plant construction is to start in May. An expenditure of $4,000,000 is proposed. Bonds and stock will be sold to provide this.

By May 1, 1924, it is expected, the mill will be in operation. It will open as a two-unit mill, eapable of putting on the market 130 tons of finished newsprint paper per day. Within the next five years, if present plans of the company mature, the mill will be extended to a six-unit structure. The site is near the Fort Alexander Indian Reserve, south of the Winnipeg River. Pulp wood rights on a large tract, estimated to contain 4,000,000 cords, has been secured from the Dominion Government. The railway line will cost $20,000 a mile to construct.

News and Views for Investors

CONNECTICUT COTTONS EASY

W. R. G. Holt has been elected a member of the board of directors of the Canadian Connecticut Cotton Mills, of Sherbrooke. Mr. Holt is a son of Sir Herbert Holt. The Canadian Connecticut Cotton Mills rank as the largest manufacturers of auto tire fabrics in Canada. The plants are now working at full capacity day and night.

RIORDON

It is now understood that the plan of reorganization of the Riordon companies is nearing completion and stockholders and bondholders are likely to be notified of plans for financing that will provide the corporation with new working capital. The various Riordon bond issues have shown some appreciation of late.

AMES-HOLDEN COMPANIES

Earnings of Ames-Holden, McCready are now sufficient to more than meet fixed charges. The boot and shoe trade is still experiencing dulness and the late spring has interfered with brisker sales. It is not anticipated that any statements of the financial progress of the reorganized company will be available for some time yet; not at least until trade conditions so improve that earnings reach a more substantial figure.

ABITIBI PAPER

At the annual meeting of Abitibi Power and Paper, President F. H. Anson stated that current earnings are running in excess of those of a year ago. He stated that the railway constructed by the company, which has been delivering wood from the limits since January is proving very satisfactory, its work representing a considerable saving in both time and expense over the method of delivery formerly employed. The construction program which the company has been carrying out for a long time, is now completed, placing the enterprise in an excellent position to supply its full quota of the active demand for newsprint which at present exists.

GOODYEAR TIRE

The company reports that the months of January and February have been the best in the company's history. The preferred stock of the company, which is listed on the Montreal Stock Exchange, is selling at 95 and paying 7 per cent.; it has 12½ per cent. cumulative dividends which will be paid off when the business of the company warrants it. Statistics show that the Canadian Motor Manufacturers in January last exported 4,660 cars at a value of $2,530,005, compared with 1,344 last year with a value of $904,667. As each car leaves Canada fully equipped with tires, this trade will be a factor in the tire business, says "Investments," published by Nesbitt, Thomson & Co.

STEEL CO. OF CANADA

The Steel Co. of Canada is now producing pig iron on a broader scale than ever before, according to a statement made by Robert Hobson, the president, in an interview with Hardware and Metal. He said that the outlet for today's production of iron and steel products is through increased buying of angle bars, tie plates, etc., which are produced by the company and through increased buying of iron and steel in primary forms by manufacturers of rolling equipment and other railway requirements. Agricultural implement makers are not as busy as was expected earlier in the season, due largely to the reduced buying power of the farmer.

WINNIPEG ELECTRIC

An analysis of the earnings of the Winnipeg Electric Railway for the month of February, 1923, shows a decrease from the same month last year, according to Nesbitt, Thomson & Co. This is due particularly to the fact that in 1922 a Winter Carnival resulted in a temporary increase in revenue and also to the fact that the company is still using high cost power, the full benefit from the development of the Manitoba Power Company not being available as yet. The present wage agreement carrying with it a rate of pay graduating from 46 cents to 56 cents an hour, with a minimum wage of $19 per week for extra men, between the Winnipeg Electric Railway Company and its motor men and conductors, will stand for 1923, it is announced.

NATIONAL BANK

The impression is abroad that recent tariff rulings in the United States were beneficial to the Canadian brick trade. This is not the case. The United States has put bricks on the free list, but only for those countries that permit free entry of United States brick—Holland, for example. In every other case, the United States tariff equals that imposed on brick by the exporting country which means as far as Canada is concerned, that the American tariff rate is now 22½ per cent., the equivalent of the Canadian duty. The tariff was formerly 10 per cent. As a result the National Brick Company advises that their nicely-developed trade in the New England market has practically ceased. Reports concerning National Brick, that earnings would warrant a 10 per cent. dividend on common stock are declared incorrect, as the dividend is not expected to exceed one per cent.

CANADA BREAD

Canada Bread has come in for considerable trading of late. The issue moved up to 66 during March and then sagged somewhat. There were those who thought that a common dividend might have been paid to start the second quarter of the year. Touching on the question of a common dividend Messrs. Stewart, McNair & Co. in a letter to clients state: "There is no doubt that the company is in a position to pay dividends on the common shares. There are reports circulating on the Street that within the very near future the directors will take dividend action. The policy of the board in the past has been to put surplus earnings back into the business. With all extensions completed and the present plant capable of handling all new business offered, it is only reasonable that the common holders are beginning to look for some return on their investment."

BRANDRAM-HENDERSON

The presistent hammering at the public to "save the surface and save all" is having the effect of so increasing sales of the paint companies that their profits are on the up-grade. The annual report of Brandram-Henderson this week showed distinct improvement over the past two years, over 5 per cent. being earned on the common, although there were serious deficits after payment of preferred dividends in the previous two years. The president, George Henderson, stated that the market for paint was growing, due to increased construction and also because of the conviction growing in the public mind that a greater employment of paint and varnish in the protection of property is an economic necessity.

CANADA STEAMSHIPS

A very favorable outlook for Canada Steamships is seen by McCuaig Brothers & Co. who state in a letter to their clients: "For the present year the outlook is distinctly favorable. As far as it is possible to foresee no abnormal developments like the 1922 coal strike with consequent disturbances of earnings are impending. On the other hand, as the carry over of grain from last year's crop was heavy, there should be a good volume of eastbound traffic in the early part of the season, which is the lean part of the company's year, while owing to the great improvement in business conditions general and package freight business should be heavier than in 1922. In the passenger department advance bookings are satisfactory and the prospects favor a better season this year than last. Should the dividend on the preferred be earned with a good margin to spare this year, as seems probable, there would be no object in delaying the resumption of regular payments as the dividend is cumulative. In fact, arrears already amount to about 8½ per cent. As of December 31 last net tangible assets after deduction of goodwill were equal to $154 per share on the preferred stock or over three times its present market value, while after providing for the preferred stock, the common has an asset value of $57 per share as compared with a present market value of around 18."

ENGLISH ELECTRIC

English Electric shareholders who showed some concern when the dividends on the preferred for the final quarter of 1922 were passed, will get some hope from the position of the company as revealed by the annual report and the remarks of the president, R. A. Stinson. Touching on the dividend question he explained that the dividend was passed thus enabling the company to maintain a strong liquid position pending a revival in trade. Dividends, which are in any case cumulative, will be resumed immediately improved conditions of trade warrant such action.

"It is gratifying to note that in one very important respect the lull in the electrical business has been beneficial to your company, namely, by affording an excellent opportunity of efficiently and economically adapting its plant and organization for the development and exploitation of the parent company's line of electrical apparatus. Full advantage has been taken of this opportunity and the benefit derived therefrom will result as the electrical business improves.

"Your directors are much pleased to report a greatly increased volume of sales for the first quarter of 1923, and it is anticipated that your plant will presently be running to capacity. While it is difficult in these times to forecast with any degree of accuracy development of trade in Canada, owing to the effect of uncertain world conditions, the volume of business already booked by your company and in prospect looks most encouraging."

BOND GUARANTEES TO BACK STEEL INDUSTRY

Backing of Provincial, Federal and British Governments is Being Sought

From Our Own Correspondent.

VICTORIA.—Hopes for the establishment of iron and steel mills in British Columbia in the near future have been strengthened by the return to the coast of H. J. Landahl, who has been promoting the enterprise, with the news that the British government is prepared to go through with its part of the contract.

It now remains for the provincial government to undertake the guaranteeing of one-third of the bond issue and then everything will be in shape for definite organization of the proposed Coast Range Steel Company, according to Mr. Landahl.

Mr. Landahl, who has been in England for several weeks negotiating for the establishment of steel mills in this province, states that the British authorities are sympathetic with the project and that they will guarantee one-third of the bonds, provided the provincial government will do the same. The Dominion government is also waiting on the provincial government to act.

Premier Oliver is now in the interior of the province, but as soon as he returns to Victoria a conference with Mr. Landahl will be arranged. Apparently the three principal authorities involved, the British government, the Canadian government and the British Columbia government, are each waiting on the other to take the first step. Mr. Landahl anticipates no trouble in getting the provincial government to act favorably, and as soon as the financial arrangements are settled construction of mills will be started. The site has not yet been chosen.

BRAZILIAN TRACTION

The February statement of the earnings of the Brazilian Traction, Light & Power Company shows gross amounting to 17,743,000 milreis compared with 14,473,000 milreis for the same month in 1922, an increase of 3,270,000 milreis. Operating expenses are higher at 7,021,000 milreis as compared with 6,113,000, and net earnings at 10,722,000 compared with 8,360,000, an increase of 2,362,000 milreis. The aggregate gross for the first two months of the year amounting to 36,401,000 milreis, shows an increase of 6,896,000, and aggregate net at 21,749,000, shows an increase of 4,593,000 milreis.

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain 7% pfd.	89	93
Do., com.	104½	112
Belding Paul, pfd.	89	93
Canada Mortgage	66¾	..
Can. Westinghouse, com.	128	..
Can. Machinery, pfd.	32	42
Can. Marconi Wireless	2.25	2.75
Cockshutt Plow, 7% pfd.	42	45
Can. Oil Companies, pfd.	98	..
Do., com	51	55
Dom. Power & Trans. pfd.	90	..
Do., com.	39	40½
Dunlop Tire, 7% pfd.	82	..
Dom. Linens, pfd.	73	76
Eastern Theatres 7% pfd.	68	..
Do., com.	6½	7½
Eng. Elect., pfd. 40% com.	71	74
Excelsior Life	31½	..
Farmers' Dairy	49	..
Fam. Play. 7% p. 50% com.	79	..
Gunns Ltd., 6% pfd.	34	38
Great West Life	214	..
Inter Milling Co., pfd.	95	..
King Ed. Con., pfd. 30%	96	98
K.&S. Tire 7% pfd. 25% c.	38	42
La Paz Oil	..	50
Loew's Toronto, pfd.	61	64
Do. com.	39	43
Loew's London, pfd.	5¼	6
Do., com.	1¾	2½
Loew's Buffalo, pfd.	46	51
Do., com.	1.25	1.75
Massey-Harris Co.	48	52
Murray Kay Co., pfd.	..	42
Manufacturers' Life 20%	52	..
Mount Royal Hotel, com.	42	..
National Brick, pfd.	55	59
Do., com.	13	14
National Life $25 paid	50¼	...
Pantages, Hamilton 7% pfd.	..	65
Do., com.	..	4
Robertson P. L. Co.	25	35
Rolph Clark Stone, com.	15	..
Simpson, Robt. 6% pfd.	90½	..
Sterling Coal, com.	28	..
Sovereign Life	18	..
Sun Life Assurance	140	..
Toronto Brick Co., pfd.	73	..
Trusts & Guarantee	75	80
Tiger Tire Units (1 pfd. 2 com.)	26	..
Western Grocers, 7% pfd.	58	62
Whalen P. & P, Co., pfd.	..	21
Western Assurance	7½	..
Northern Can. Power	45	..
London Loan	46	51
Abbey Salts	26	..
Brit. Amer. Assur.	6	7
Lambton Golf Club	425	475
Mercantile Trust	98	..
Cosgraves Breweries	5½	6½
English Elec. com.	20	22
Imperial Oil	118	122

The Aftermath of War ~ A Message to Business Men

NEW conditions have confronted us since that fateful day in August, 1914, upset the world's economic balance and changed the fate of nations.

In this new era the complex problems which beset business life demand for their solution closer application and more concentrated effort than ever before.

The business executive who will win out under these new conditions must disengage himself from activities he can safely pass on to others.

The care and management of personal property is one of these activities which makes large demands on one's time and energy.

Many business men find it a matter of sound economy to entrust this duty to the care of this Corporation, an institution specially equipped for the work and with long experience in it.

We can take charge of your securities, keep your capital funds fully and safely invested at good rates of interest, collect interest, dividends, rents, manage real estate, keep insurance policies in force, make all tax returns, etc. Our charges for this service are moderate.

Our booklet, "Your Financial Agent," fully explains the service. We shall be glad to send you a copy on request.

THE TORONTO GENERAL TRUSTS CORPORATION
Head Office—Bay and Melinda Sts. TORONTO
BRANCHES—Ottawa, Winnipeg, Saskatoon and Vancouver

SECURITY

The security of a contract is a good thing to have, but it doesn't begin to compare with the security of having a good contractor.

THOMPSON-STARRETT Company, Limited

Building Construction

Headquarters for Investors

McCUAIG BROS. & CO.

Members of the Montreal Stock Exchange

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Write for particulars

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TORONTO

134 Jackson Bldg., Ottawa, Ont.
1004 Transportation Bldg., Montreal, Que.

53% GAIN IN NET INCOME

Twin City Rapid Transit net income for February was $141,765, against $92,663 in February, 1922, being an increase of 53%.

January net income increased by 34% over January, 1922.

Net income for two months increased 42.30%.

This is particularly satisfactory in view of the increase of 124% in net income for fiscal year of 1922 over that of 1921.

We recommend Twin City for investment.

Write for Bulletins No. 43 and No. 45.

Dickinson & Walbank

Members Montreal Stock Exchange

152 St. James Street, Montreal
Main 4090-4093.

T. Kelly Dickinson, J. Y. K. Walbank,
W. McLea Walbank.

RAILROAD EARNINGS

The Canadian Pacific Railway reports gross earnings for the ten days ending March 31, amounting to $4,313,000 compared with $4,342,000 for the corresponding period in 1922, a decrease of $29,000.

Earnings of the Canadian National Railways for the period ending March 31, amounting to $2,870,712, compared with $3,100,314 last year, a decrease of $229,602. The February statement shows gross amounting to $7,764,195, or an increase of $30,535 over the figures for the same month in 1922. Working expenses at $10,724,381 were higher by $606,130, while net amounting to $2,384,590, showed a decline of $575,595.

CANADA'S ELECTRIC ENERGY PROVIDES INVITING FIELD

Chairman of Westinghouse Board Makes Interesting Observation

Canadian Westinghouse Co., Ltd., look upon the past year as a constructive period and one that has seen accomplished a sound renewal of the foundations of industrial life within the Dominion, according to H. H. Westinghouse, the chairman of the board. He added that this has come about through on the one hand a favorable yield from farm, forest and mine, and on the other hand a practical economy of expenditure on the part of the Canadian consumer. As a result, the balance of trade has been brought once more to a basis favorable to Canada, the value of the Canadian dollar has climbed to an approximate par with the highest standard of the world's exchange, and capital from both foreign and domestic sources has again come into the market seeking investment within Canada under a substantial expectation of profitable employment.

The trying conditions in the fuel market affecting the whole continent throughout the year, both in cost and difficulty of delivery, have directed pointed attention to the increasing value of hydro-electric energy, and Canada with its still great potentialities in this direction is proving an inviting field for present development. Betterment in the pulp and paper industry and increasing activity in the mining fields also urge in the same direction. The quickening of general trade conditions taken along with the always present necessity of handling the crops in due season has brought to the fore the requirements of transportation, and additions to equipment are again under way while in some directions serious consideration is given to further electrification.

Mr. Westinghouse points out in his annual statement that the experience of his company was like that of others.

It was not until about the third quarter of the year that inquiries began to result in noticeably increased volume of orders booked, and the shipments for the year do not, therefore, reflect to any large extent the advantage of improved business conditions. Throughout the year, however, the Company has been successful in securing such a volume of orders for the small class of apparatus as to justify the wisdom of its efforts in extending this portion of its business where the demand is inherently stable in comparison with the lines depending more directly on broad conditions of finance and trade.

Aside from profits realized, the operations of the year added to the cash position of the Company through liquidation of physical inventories natural under the circumstances of reduced volume of business, particularly in the larger class of apparatus.

The profit and loss acount shows earnings of $1,027,195.15, from which the sum of $200,000.00 has been written off for general depreciation, and a provision made of $85,000.00 for the payment of Dominion Taxes for 1922, leaving net profits of $742,195.15. From the year's profits, dividends at the rate of eight per cent. per annum were paid, amounting to $593,932.00 leaving a balance of $148,263.15 carried forward to Profit and Loss, which account shows as of December 31st, 1922, a surplus of $2,612,681.27, exclusive of all reserves.

In comparative figures:

	1922	1921
Earnings	$1,776,154	$2,236,936
Expenses, etc.	818,795	769,389
	957,359	1,467,546
From int. on bonds	20,147	20,146
From bank interest	49,689	13,686
	1,027,195	1,501,379
Depreciation	200,000	253,000
	827,195	1,248,379
Taxes	85,000	157,000
Net earnings	742,195	1,091,379
Dividends	593,932	741,790
	148,263	349,589
Bal. forward	2,464,418	2,114,828
Balance	2,612,681	2,464,417

Should Arrange Estate to Avoid Two Taxes

From Our Own Correspondent.

MONTREAL.—Under Quebec succession duty laws, no allowance is made for inheritance taxes paid to other countries. If an individual living in Quebec holds property in the United States, for example, his estate is likely to be taxed in both the United States and in the Province of Quebec, involving double taxation.

In a very valuable book on Quebec Succession Duties prepared by the Royal Trust Company, this matter is referred to and the recommendation is made:

"In view of the fact that property situated in a province or country other than that in which a decedent has his domicile, may be subject to double, or even triple taxation at his death, it is often wise to examine one's assets with regard to their situs. It may well be that certain assets situated elsewhere than in the province of domicile, which one would otherwise retain, should be sold and the proceeds reinvested in the province of domicile to save one's estate from undue succession duty charges.

"From this point of view, the ideal arrangement of one's assets, is that they should be all of such a nature as to be subject to taxation for succession duties by one taxing authority only, which except as regards real estate would naturally be the province of one's domicile."

Asbestos Corp. Studying European Markets

From Our Own Correspondent.

MONTREAL.—R. P. Doucat, general manager of the Asbestos Corporation of Canada, left on Thursday of this week on his yearly visit to the company's European buyers. He reports considerable activity in the asbestos market, and expects to return the first week in June.

This company's total output is sold to some thirty large buyers, of which the greater portion are in Europe, there being but one large concern in Canada that manufactures asbestos products.

No One Yet Interested in Quinze R. Power

From Our Own Correspondent.

MONTREAL.—Speculation in the daily newspapers as to who are the "interests" behind the new power development planned by the Quebec government on the Quinze River is away off the mark. There are no "interests" definitely behind the development yet. The provincial government is merely asking for tenders for the water power rights and the highest bidder will get the right to develop them. The opening of tenders on April 25 will be watched with interest in view of the fact that the power, if developed, will probably go to the Northern Ontario mining areas that are badly in need of such energy.

DRIFT TO CONTACT

Drifting on the Oxford-Cobalt vein to reach the contact on the 150-ft. level is about to proceed. The operation will be followed with great interest. The contact was struck at the 75 level and a winze opened up an excellent vein. It was then decided to carry the shaft to the deeper level and then open up the vein from that depth. The vein as sank upon continued uniform throughout. As the drift nears the contact the mineralization is expected to come in. Such was the case on the upper level. The company is well financed.

PRICES OF BASIC METALS UP; COAST PRODUCERS ACTIVE

Copper, Lead, Zinc Mines Are Increasing Operations

From Our Own Correspondent.

VANCOUVER.—The strengthening of the copper, lead and zinc markets has had a stimulating effect on the output of basic metals, and the principal companies operating in British Columbia are planning important extensions. The smelting plant of the Granby Consolidated Mining and Smelting Company at Anyox is being augmented by addition of a concentrator. A capacity of 3,000 tons a day is contemplated. The company has increased its capitalization and taken over the vast holdings of the Canada Copper Company, including Copper Mountain, with an estimated copper ore reserve of 10,000,000 tons. The Allenby smelter also passes into control of the Granby Company as a result of this deal and operations will be resumed shortly, the concentrates being shipped to the Trail smelter of the Consolidated Mining & Smelting Company for treatment. The Granby Company has also acquired the Outsider Group, Maple Bay, in the Portland Canal mining zone, and shipments from that mine are expected to be made this summer to Anyox. The Company is also developing properties at Glacier Creek, known as the Sunshine group, and the Prince George group.

The Britannia Mining & Smelting Company has built a new 2,500 ton mill to replace the plant destroyed by fire recently and large new ore bodies have been opened up. The lead-zinc production of the famous Sullivan mine at Kimberley, being developed by the Consolidated company, is being rapidly increased. The company is now making a special allowance for zinc, and there has been greater interest in zinc properties and an increase in the number of custom shippers in consequence. Reports current in the Kootenay district credit the Consolidated with plans to develop a milling capacity of 5,000 tons a day for the Rossland mines, and the gradual extension of the Sullivan mill to 20,000 tons a day, making it the largest of its kind in the world.

STOCK MOVEMENTS OF THE WEEK

Week ending April 3

BANKS—	Div. Rate	Ask	Bid	High	Low	Close	Sales
Commerce	12	198	197	199¼	197¾	198	28
Dominion	12	200	199½	200	199½	200	165
Hamilton	12	169	168	169	168	168	12
Imperial	12	194	192	194	192⅞	193	19
Molsons	12	—	174	176	175	175	35
Montreal	12	237	234	237	236	237	50
Nova Scotia	16	—	262	263	263	263	2
Royal	12	216½	216	217	216	216	108
Standard	14	212	211½	212	211½	211½	8
Union	10	136½	136	136⅜	136	136	103
Industrials, Utilities, Etc.—							
Abitibi Paper, com.	4	68¾	68¼	69½	68¼	68¼	600
American Salesbook, pref.	7	93	91½	93	92	92	104
Asbestos Corporation, com.	6	70½	69½	71½	71⅛	71½	10
Do., pref.	7	—	87¾	89½	88¼	88¼	30
Atlantic Sugar, com.	—	25½	—	25	24	24	270
Barcelona Traction	—	—	18⅜	18⅝	16½	18¼	860
Bell Telephone	8	—	120	120½	119½	119¾	323
Brazilian Traction, com.	4	49⅜	49¼	50	49	49⅛	2828
B. C. Fishing	—	19	—	17	17	17	15
British Empire Steel, com.	—	8	7¾	8	8	8	121
Do., 1st pref.	7	70	—	70	69	69	13
Do., 2nd pref.	—	23½	23	24	23½	23½	475
Brompton Pulp, com.	—	41½	41	41¾	40½	41¾	2665
Burt, F. N., com.	10	141	140	140	140	140	5
Canada Bread, com.	—	—	63	63¾	63	63	130
Do., pref.	7	94½	94	94½	94	94½	51
Canada Car & Foundry, com.	—	33	30	31	31	31	30
Do., pref.	—	76	74	75½	75	75	201
Canada Cement, com.	6	85	84	86¼	84½	85	251
Do., pref.	7	—	102	103¼	103	103¼	120
Canada Steamships, com.	—	18	17	18	17¾	18	236
Do., pref.	—	51¼	51	51½	51	51¼	426
Canadian Converters	7	99	98	99¾	99	99¾	246
Canadian Cottons, com.	8	135	133½	137	133¼	133¼	853
Do., pref.	6	—	90	92	90	90	33
Can. Woollens, pref.	—	61	—	61⅛	61⅛	61⅛	10
Can. General Electric, com.	6	90	88¾	89¼	85½	89	1509
Canadian Locomotive, pref.	7	95½	94	95	93	93½	28
Canadian Pacific Railway	10	153	152	152¾	151	152	128
Cuban Can. Sugar, pref.	—	42	—	42	42	42	25
City Dairy, com.	10	140	137½	135	135	135	50
Do., pref.	7	—	103	103	103	103	20
Consumers Gas	10	—	152½	153½	152½	153	154
Crow's Nest Pass Coal	6	—	48½	49	49	49	45
Detroit United Railway	6	77½	77¼	77¼	76	76	449
Dominion Bridge	4	78	75	75¼	74	75	55
Dominion Canners, com.	—	32	30	32	31	32	113
Do., pref.	7	85	—	86	85	86	85
Dominion Glass, com.	7	95½	95⅜	95½	94¾	94¾	225
Do., pref.	7	101	—	101	99½	101	155
Dominion Textile, com.	12	70⅞	70¾	71	70½	70¾	1461
Do., pref.	7	110	106¼	106¼	106¼	106¼	15
Dominion Coal, pref.	7	—	85	84	84	84	10
Dominion Iron, pref.	7	76	74	75	74	75	65
Dominion Steel Corporation, pref.	6	—	81	81¾	81¾	81¾	10
Duluth Superior	—	35	34¾	35	35	35	90
Ford Motor Car	15	—	450	480	475	475	7
Goodyear Tire, pref.	7	94	93	94	93½	93½	70
Howard Smith Paper, com.	6	82	81½	82½	81	82½	211
Do., pref.	8	107¾	106½	107	106¾	106¾	88
Illinois Traction, com.	—	45	43	45	45	45	750
Do., pref.	6	82	—	82	81½	81½	35
Kaministiquia Power	8	—	122	122	122	122	45
Lake of Woods Milling, com.	12	182	—	181	180	180	36
Do., pref.	7	115	—	115	115	115	15
Laurentide Paper	6	93	92	93	91½	91½	260
Mackay, com.	7	115½	115	115¾	115	115¼	288
Do., pref.	4	69½	68	68½	68½	68½	25
Maple Leaf Milling, pref.	7	101	100	102	102	102	50
Monarch Knitting, com.	—	—	40	40	40	40	10
Do., pref.	7	—	82	82	82	82	9
Montreal Cottons, pref.	7	—	109	110	109	110	80
Montreal Light, Heat, Cons.	6	114⅞	114½	115	114	114½	215
Montreal Telegraph	8	51	—	51	51	51	5
National Breweries, com.	4	51⅜	50¾	51¼	50	50¼	310
Ogilvie Flour, com.	12	—	325	327	327	327	65
Do., pref.	7	—	115	115	115	115	2
Ontario Steel Products, com.	—	47	45	46	45½	45½	50
Ottawa L. H. & Power	6	97⅛	87	87	87	87	115
Port Hope Sanitary, com.	—	50	45	50	45	47	40
Do., pref.	7	91	90	91½	91	91	25
Penmans, com.	8	152	—	148	146	148	505
Do., pref.	6	—	95	95½	95½	95½	5
Porto Rico Railways, com.	—	28	27	28⅜	26	27½	200
Do., pref.	7	82	80	80	80	80	22
Price Brothers	2	45	44½	45	44	44½	547
Provincial Paper, com.	6	92	91	92	92	92	40
Quebec Railway	—	22	21½	21½	21½	21½	272
Riordon Pulp, com.	—	8	6	7	6½	6½	70
Sawyer-Massey, pref.	—	25	16	16	16	16	10
Shawinigan	7	115½	115	116	114⅞	114⅞	494
Sherwin-Williams, pref.	7	102	—	101	101	101	20
Spanish River Pulp, com.	7	95	93	96½	94	94	360
Do., pref.	7	103	101	105	101½	101½	326
Steel of Canada, com.	7	78	77	78	77	77¼	346
Do., pref.	7	—	101	102	101½	102	52
St. Lawerence Flour, com.	6	80	78	78	77	77¼	395
Do., pref.	7	94	—	94	94	94	10
St. Maurice Paper	5	93⅞	90	90	90	90	150
Toronto Railway	—	86	85	86	85	85	242
Tuckett Tobacco, pref.	7	94	—	94	94	94	12
Twin City, com.	—	64½	64	65	64⅜	64½	577
Winnipeg Electric, com.	—	39¼	39⅛	40	39⅛	39½	233
Do., pref.	7	—	85	86	86	86	163
Woods Mfg., pref.	7	—	83	83	83	83	25
Mexican Trams	—	—	35½	34	34	34	122
Canada Landed	10	—	79	81	81	81	4
Can. Permanent	12	—	190	190⅛	190	190	96
Toronto Mortgage	10	83	82	86	83	83	10

A Living Trust Might be Useful to You

If you have property available to direct to the benefit of yourself or others, which at the same time you wish to remove from risks.

A Living Trust enables a man to use his resources for the benefit of his dependents without adding to their responsibilities, and while lessening his own.

A Living Trust enables him to retire from business assured that his interests will be guarded and managed so as to produce the highest safe return. Or, with equal assurance, he may take a long vacation for travel or recreation, undisturbed by business cares.

A Living Trust may be so constituted as to serve as his will after his death. This ensures that his estate can be disposed of promptly, without the formality and publicity that comes with the probate of a will.

ON GUARD

Consult Us
We shall gladly give, in confidence and without charge, our advice adapted to your individual needs.

Booklets on request.

National Trust Company Limited

Paid-up Capital and Reserve $4,000,000 — Assets Under Administration $112,000,000

22 King Street East Toronto

THIRTEEN NEW PAPER MACHINES BEING INSTALLED IN CANADA

There are thirteen new paper-making machines being installed in Canadian paper mills this year. When erected and running full they will consume more than 350,000 additional cords of wood a year. Canada is already consuming and exporting annually more than 5,000,000 cords of pulpwood, representing the growth of a century or more, from 1,250,000 acres of land.

BRANDRAM-HENDERSON LIMITED

ANNUAL REPORT OF BOARD OF DIRECTORS

Submitted at Annual Meeting of Shareholders held at the Head Office of the Company at Halifax on Thursday, April 5th.

To the Shareholders:

Your directors herewith submit their Sixteenth Annual Report, with Statement of Assets and Liabilities and Abstract of Profit and Loss Account for the year ending December 31st, 1922.

The net profits amounted to $163,703.58 which, with the balance of $828,360.34 carried forward from the previous year, makes the sum of $992,063.92. Out of this sum has been paid the dividend on the Preferred Stock of $35,000.00 at the rate of seven per cent., and the dividend on the Common Stock of $35,397.00, and also the interest on the issues of First and Consolidated Bonds, respectively, including a reserve provided in both issues for the months of October, November and December amounting to $59,580.99. The sum of $7,500.00 has been provided as a reserve for depreciation, bringing that reserve up to $87,500.00.

The total at the credit of Profit and Loss Account, after all deductions, is $854,585.93.

The cost of upkeep and renewals incurred during the year at all the company's plants has been charged to operating expense.

Messrs. P. S. Ross & Sons, as in the past, have audited the books and accounts, and their report is herewith submitted.

OUTLOOK FOR BUSINESS

During the year there was some improvement in demand, both at home and abroad, and the company's sales, except in the Prairie Provinces of Canada, reflect the improvement. This demand should continue to progress not only because of the present distinct increase in construction but because of the conviction growing in the public mind that a greater employment of paint and varnish in the protection of property is an economic necessity.

Your subsidiary, the Alberta Linseed Oil Company, Limited, continues to be of great value to the parent company.

The acquisition of the Pacific White Lead Company, Limited, Vancouver, has, during the year under discussion, assisted materially in the development of sales in British Columbia, where your company's future success appears assured.

DIVIDENDS DECLARED

In view of the results secured from operations during 1922, and the general condition of the company's affairs, your directors, in declaring the continuance of the present dividend of seven per cent. on the Preferred Stock, payable quarterly, to shareholders of record one month prior to quarterly payments, decided to place the Common Stock on a four per cent. basis, payable one per cent. quarterly on March 1st, June 1st, September 1st and December 1st, to shareholders of record one month prior to dates of payment.

Your directors have never had more cause to record their high appreciation of the faithful and efficient services of the officers and employees of the company during a fiscal year.

All of which is respectfully submitted on behalf of the Directors.

GEORGE HENDERSON,
President and General Manager.

Halifax, April 5, 1923.

NATIONAL SYSTEM SLICED PAY ROLL OVER $10,000,000

But Further Reductions Necessary if Operating Costs to Come Down

TRAFFIC BIG NEED

Canadian National Railways Not Carrying Freight and Passengers Warranted by Operation Scope

From Our Own Correspondent.

MONTREAL.—During 1922 the Canadian National Railways and the Grand Trunk System reduced their staffs by 1,313 persons, bringing the number of employees down from 87,997 for the two lines to 86,684. The reduction in the number of employees together with some revision in wages and savings effected in over-time schedules reduced the total amount of **the pay roll from $133,656,587 to $122,889,091, a saving of $10,757,496.**

Undoubtedly the political factor will enter into any further reductions in the number of employees and in revision of pay schedules, but both the reduction and the revision are essential if the national lines are to get their operating costs down to the figures of the Canadian Pacific Railway. One great difficulty is that the national lines cover wide areas of thinly populated country where it will be difficult to reduce service and yet where the revenues will not become adequate until Canada's population has grown considerably. In the case of the C. P. R. the payroll absorbed 56.3% of the operating expense in 1922. On the C. N. R. the ratio was 62.2% and on the Grand Trunk 61%. This high pay roll expense was undoubtedly a factor in the deficits on the government owned lines.

People and Traffic Needed

It is evident from a study of figures covering the principal railway lines of Canada for 1922 that the Grand Trunk, as a compact transportation unit can be made to pay; that with the efficiency that will come from the control by the new regime that it should shortly earn its fixed charges. But the other portions of the Canadian National system; the old Canadian Northern lines, the Canadian Government Railway and the Grand Trunk Pacific can only be made to pay by increasing their traffic. The traffic can only be increased by increasing production by immigration and development of natural resources. The C. P. R. had an operating revenue of $13,567 for every mile in its system during 1922. The Canadian National, (exclusive of the Grand Trunk), had a revenue per mile of system of $6,886, just about half the C. P. R.'s figures. The C. P. R. moved 928,304 ton miles of revenue freight for each mile of its system; the C. N. R. only 585,841. The loads carried on the individual trains were also smaller. The average revenue per freight train mile on the C. P. R. was $5.41 and on the C. N. R. $4.29. Somewhat similar comparisons could be made of passenger traffic.

Comparing the Three Lines

Some further interesting comparative statistics of the three major railroad sytems in Canada in 1922 are given below, the figures being supplied by the Dominion Bureau of Statistics.

Operating Revenues		
C. N. R. ..	$118,610,441	$125,317,432
G. T. R. ..	77,700,019	76,858,032
C. P. R. ..	188,281,604	196,157,571
Operating Expenses		
C. N. R. ..	$128,607,422	$141,733,689
G. T. R. ..	70,317,813	71,179,293
C. P. R. ..	149,869,139	158,681,752
Tons of Freight		
C. N. R. ..	22,426,403	21,337,298
G. T. R. ..	23,675,475	21,687,749
C. P. R. ..	32,032,823	28,515,437
Passengers		
C. N. R. ..	11,331,226	11,930,389
G. T. R. ..	10,998,246	11,609,762
C. P. R. ..	14,985,273	15,865,956

DIVIDEND PAYMENTS DEPLETED RESOURCES

English Electric Corporation Working Capital is Reduced

From Our Own Correspondent.

MONTREAL.—The disappointment that shareholders of English Electric felt when the preferred dividend was passed last winter was not allayed to any degree this week when the first complete annual report was made public. The optimistic tone of the president's remarks to the shareholders, accompanying the report, is gratifying but there is a feeling that the company was very foolish to continue to pay preferred dividends as long as it did when it had to draw upon its liquid reserves to do so. According to the statements made when the preferred stock was being sold two years ago the company had a surplus of $464,424 upon completion of the financing. At December 31, 1921, this was reduced to $351,044, it now appears, and chiefly because of the three dividend payments it was only $229,092 at December 31, 1922.

The original statement showed working capital of $747,677 which has been reduced to $490,271.

Profits in 1921 were $2,452 and dividends paid amounts to $124,404. The president states:

"The year 1922 was remarkable for a depression unparalleled since the inception of the electrical business in Canada, and was, as it happened, the first in which your company was in operation. Notwithstanding these adverse conditions, an operating profit resulted on the year's business. Preferred stock dividends were paid for the three quarters ending September 30, but it was deemed advisable to postpone these dividends for the final quarter ending December 30, thus enabling the company to maintain a strong liquid position pending a revival in trade. Dividends, which are in any case cumulative, will be resumed immediately improved conditions of trade warrant such action.

"Your directors are much pleased to report a greatly increased volume of sales for the first quarter of 1923, and it is anticipated that your plant will presently be running to capacity. While it is difficult in these times to forecast with any degree of accuracy development of trade in Canada. owing to the effect of uncertain world conditions, the volume of business already booked by your company and in prospect looks most encouraging."

HEAVY CAR ORDERS

The Canadian Car and Foundry Co. has received an order from the C.P.R. for 12 baggage and mail cars, 6 cafe cars, 6 buffet cars and 300 gondola cars. The Eastern Car Co. has an order for 300 flat cars.

In Canada are located 5,000 wood using industries and it is an odd coincidence that the forest fires average one for each industry, or five thousand a year.

The Laurentide Company, Limited, of Grand Mere, P.Q., have about 20,000,000 white spruce seedlings and transplants in their nursery.

CANADIAN PACIFIC RAILWAY COMPANY

FORTY-SECOND ANNUAL REPORT of the Directors of the Canadian Pacific Railway Company. Year ended Dec. 31st, 1922

To the Shareholders:

The accounts of the Company for the year ended December 31st, 1922, show the following results:—

Gross Earnings		$186,675,035.84
Working Expenses (including all taxes)		150,373,344.83
Net Earnings		$ 36,301,691.01
Deduct Fixed Charges		13,348,905.66
Surplus		$ 22,952,785.35
Contribution to Pension Fund		500,000.00
		$22,452,785.35
From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent., paid September 30th, 1922	$ 1,613,638.42	
And three quarterly dividends on Ordinary Stock of 1¾ per cent. each, paid June 30th, 1922, September 30th, 1922, and December 30th, 1922	13,650,000.00	
		15,263,638.42
		$ 7,189,146.93
From this there has been declared a second half yearly dividend on Preference Stock of 2 per cent. payable March 31st, 1923	$ 1,613,638.42	
And a four quarterly dividend on Ordinary Stock of 1¾ per cent., payable March 31st, 1923	4,550,000.00	
		6,163,638.42
Leaving net surplus for the year		$ 1,025,508.51

In addition to the above dividends on Ordinary Stock, three per cent. was paid from Special Income.

SPECIAL INCOME FOR YEAR ENDED DECEMBER 31ST, 1922

Balance at December 31st, 1921	$23,717,491.20	
Less: Dividend paid April 1st, 1922	1,950,000.00	
		$21,767,491.20
Net Revenue from Investments and Available Resources, Exhibit "C"		2,694,979.09
Interest on Deposits, and Interest and Dividends on Other Securities		1,957,190.26
Net Earnings, Ocean and Coastal Steamship Lines		3,448,293.48
Net Earnings Commercial Telegraph and News Department, Hotels, Rentals and Miscellaneous		2,991,892.30
		$32,859,846.33
Less: Payments to Shareholders in dividends: June 30th, 1922, September 30th, 1922, and December 30th, 1922		5,850,000.00
		$27,009,846.33
From this a dividend has been declared payable March 31st, 1923		$ 1,950,000.00

2. The working expenses for the year, including all taxes, amount to 80.55 per cent. of the gross earnings, and the net earning to 19.45 per cent., as compared with 82.28 per cent. and 17.72 per cent. respectively in 1921.

3. The gross earnings of your transportation system during the past fiscal year were less than those of 1921 by $6,346,818, but the net earnings increased by $2,099,950. The net surplus over that of 1921 increased by $270,117, the difference between the increases in net earnings and net surplus being due to the increase in fixed charges owing to the sale of Consolidated Debenture Stock. The decrease in gross earnings, as indicated by the monthly operating results, continued for the first nine months of the year due to general business depression, which reflected itself very markedly in both freight and passenger revenues. Beginning with October and in consequence of the very bountiful crops in Canada, both East and West, and notwithstanding the drastic reduction in rates on grain to Fort William under what is known as the "Crow's Nest Agreement," the revenues improved to such an extent that a decrease in gross earnings on September 30th of $11,560,856 was reduced during the last three months by $5,214,000. The working expenses were by economical administration reduced by $8,446,769 during the year. In view of the conditions which prevailed during the first nine months of the year your Directors cannot but regard the result of the operations as satisfactory. They feel, too, that short of some calamity or grave economic disturbance which cannot be foreseen the worst of the after-war depression has passed and that more stable and favourable commercial conditions should exist from now on, with the consequent improvement in traffic and revenues.

4. The sales of agricultural land in the year were 107,503 acres for $1,732,742.43, being an average of $16.12 per acre. Included in this area were 2,440 acres of irrigated land, which brought $61.73 per acre, so that the average price for the balance was $15.06 per acre. The sales of land during the year were disappointingly small due to the depression in Western Canada. The conditions were, however, general and combined with small immigration resulted in little new settlement and the lowest number of farm-land transactions in any year during the last ten years.

5. The Canadian Pacific Steamships, in common with all other ocean lines, have in 1922 passed through a trying period. The large amount of ocean tonnage which the owners have endeavoured to keep in commission has naturally created a situation seriously affecting revenues from transportation, both as to freight and passengers. In addition to the steamship lines of private companies a large Government-owned tonnage has been in active competition with the old-established lines on all oceans. The competition of the United States lines especially has been of a demoralizing nature; in some cases lower freight rates were established than shippers represented as necessary and were willing to accept. The Atlantic service, however, shows a gratifying comparison with that of the previous year. During 1921 your ships performed 136 round voyages, and in 1922, 188—an increase of 52 voyages. There was a shrinkage in gross earnings of $2,502,000 but there was a decrease in operating expenses of $2,736,000, thereby increasing net profits $234,000. In other words, the average cost of operation per voyage in 1921 was $143,000, and in 1922, $89,000, a reduction of $54,000 per voyage, or 37%, although there were several larger ships in commission during the past year.

Notwithstanding this heavy decrease in operating expenses the furnishings, equipment and victualling of your passenger steamers have been maintained at the highest possible standard. The efficiency of the service and the discipline and morale of the ships' crews were never better, and their popularity with the travelling public is everything that can be desired.

Your Pacific service during the past year has undergone considerable changes. The fine new steamers "Empress of Canada" and "Empress of Australia" have taken the place of the "Empress of Japan" and the "Monteagle," and the Company is now operating four of the finest, best equipped and fastest steamers on the Pacific. Unfortunately, however, the Pacific trade during the past year has been of a disappointing character. China has been almost continuously in a state of civil war, and in those sections where actual war conditions have not prevailed, strikes and other disturbing features have paralyzed trade and commerce, materially affecting passenger travel, both business and tourist. The most severe competition ever met on the Pacific has been experienced. The United States Merchant Marine are operating ten passenger and cargo ships from San Francisco and Puget Sound ports which are the largest and most expensive merchant ships built in the United States.

Your Directors feel, however, that you may look forward to the present year showing better results. Special efforts are being made to encourage through travel between the Orient and Europe, and the summer schedules will enable a passenger to travel from Japan to England or France, a distance of about 10,000 miles, in twenty-one days, which should prove advantageous to your line in competition with the Suez route.

6. During the year the Directors sold in London £3,087,007, and in New York $2,000,000 of Four per Cent. Consolidated Debenture Stock, the issue of which you had previously authorized.

The market for your Company's securities both in New York and London continues active and favourable.

7. During the year your Directors consented to the issue of $2,500,000 First Refunding Mortgage Six per Cent. Bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, and also approved the obtaining of a similar amount on Short Term Notes by that Company and an extension of $3,000,000 One-Year Notes maturing in June, 1922. Your Company assumed no direct responsibility in connection with either of these issues.

The improvement in the revenues of the Minneapolis, St. Paul and Sault Ste. Marie Railway System during the last fiscal year was very marked, its net operating revenues for the year being $7,178,971.82 as against a loss of $696,584.13 for the previous year. In the opinion of the Directors of the "Soo" Company this improvement should continue and its financial position be materially strengthened.

8. In anticipation of your confirmation your Directors authorized capital appropriations, in addition to those approved at the last annual meeting, aggregating for the year 1922, $1,512,680. Your approval is asked to expenditures on capital account during the present year, as and when the conditions warrant such expenditures, of $7,630,100. Of this amount the principal items are:

Replacement and enlargement of structures in permanent form	$ 803,700
Additional stations, round houses, freight sheds and shops, and extensions to existing buildings	318,400
Tie plates, rail anchors, ballasting, ditching and miscellaneous roadway betterments	1,250,400
Replacement of rail in in main and branch line tracks with heavier section	169,500
Additional terminal and side track accommodation	502,500
Extension work on Chateau Frontenac Hotel, Quebec, including new equipment	2,800,000
Bungalow Camps in Ontario	90,000
Additional lining, Connaught Tunnel	695,000
Mechanical Department, machinery at various points	78,700
Improvements in connection with Telegraph service	39,100

The balance of the amount is required for miscellaneous works to improve facilities and effect economies over the whole system.

9. Your Directors are of the view that reasonable extensions of your branch line mileage in Alberta and Saskatchewan, in addition to the lines which you have already authorized, are desirable, and your authority will be asked for proceeding with the construction of the following lines and for the issue and sale of a sufficient amount of Four per Cent. Consolidated Debenture Stock to meet the expenditure, namely:

Kipp to Bow River	22 miles
Archive-Wymark Branch, Mileage 25 to 50	25 miles
Tuffnell-Prince Albert Branch	50 miles

10. Your Directors are making provision with your approval for obtaining the following necessary additions to your Company's equipment:

6 Steel Cafe-Parlor cars,
6 Steel Buffet-Parlor cars,
12 Steel Sleeping cars,
15 Steel First Class coaches,
12 Steel Mail and Express cars,
15 Steel Colonist cars,
300 75-ton Coal cars,
300 41-ft. Flat cars,
1000 Box cars,
300 Automobile cars,
50 Oil Tanks,
36 Locomotives,

at a total cost of $12,295,000.

11. As provision has been made for the retirement of the Note-Certificates of the Company issued in 1914 for $52,000,000 and maturing on March 2nd, 1924, your Directors are arranging that these Note-Certificates shall be paid off in July of this year, and notice in accordance with the provisions of the agreement establishing the Special Investment Fund will be given by the Trustee.

12. The death occurred on the 17th of September last of Mr. Richard B. Angus in the ninety-second year of his age. The late Mr. Angus was constituted a member of the first Board of Directors by the Parliamentary Act incorporating the Company in the year 1881, and was continuously during the succeeding forty-one years a Director of the Company and a member of the Executive Committee of the Board. His constant devotion to the Company's interests, his sound judgment and wise counsel which were at all times of the greatest assistance in the determination of the Company's policies and in the administration of its affairs and his close personal relations with the members of the Board made his passing of particularly poignant regret. Your Directors desire to record their sense of the great loss sustained by the Company and by the country through his decease.

The vacancy caused by Mr. Angus' death has not yet been filled.

13. Mr. W. N. Tilley, K. C., of Toronto, Consulting Counsel of the Company, was elected a Director to fill the vacancy caused by the death of Sir John Eaton.

14. The undermentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election:

Sir Edmund B. Osler,

Sir Herbert S. Holt,

Colonel Frank S. Meighen, C. M. G.

For the Directors,

E. W. BEATTY.
President.

Montreal, March 12th, 1923.

Canadian Pacific Railway Company
General Balance Sheet
December 31st, 1922

ASSETS

Property Investment:		
Railway, Rolling Stock Equipment and Lake and River Steamers		$605,989,405.89
Ocean and Coastal Steamships, Exhibit "A"		59,787,250.24
Acquired Securities (Cost): Exhibit "B"		128,172,166.18
Advances to Controlled Properties and Insurance Premiums		10,705,762.52
Investments and Available Resources: (Including amount held in trust for 6% Note Certificates, $61,032,439.45)		
Deferred Payments on Lands and Townsites	$65,681,508.67	
Imperial and Dominion Govt. Securities	20,681,588.33	
Provincial and Municipal Securities	792,721.29	
Debenture Stock in Treasury	5,000,000.00	
Miscellaneous Investments, Exhibit "C," Cost	42,924,970.08	
Assets in Lands and Properties, Exhibit "D"	94,056,449.95	
Cash	9,452,380.88	
		238,589,619.20
Working Assets:		
Material and Supplies on Hand	$28,723,731.05	
Agents' and Conductors' Balances	3,442,368.53	
Net Traffic Balances	1,558,528.49	
Imperial, Dominion and United States Governments, Accounts due for Transportation, etc.	1,898,427.66	
Miscellaneous Accounts Receivable	7,429,996.95	
Cash in Hand	41,143,893.42	
		84,196,946.10
		$1,127,441,150.13

LIABILITIES

Capital Stock:		
Ordinary Stock	$260,000,000.00	
Four Per Cent. Preference Stock	80,681,921.12	
		$340,681,921.12
Four Per Cent. Consolidated Debenture Stock		253,229,865.74
Mortgage Bonds:		
Algoma Branch 1st Mortgage 5 per cent.		3,650,000.00
Note Certificate 6 Per Cent.		52,000,000.00
Current:		
Audited Vouchers	8,249,900.73	
Pay Rolls	3,679,336.15	
Miscellaneous Accounts Payable	10,798,601.95	
		22,727,838.83
Accrued:		
Rentals of Leased Lines and Coupons on Mortgage Bonds		688,446.76
Equipment Obligations		14,670,000.00
Reserves and Appropriations:		
Equipment Replacement	14,325,081.71	
Steamship Replacement	16,564,794.89	
Reserve Fund for Contingencies and for Contingent Taxes	37,168,922.37	
		68,058,798.97
Premium on Ordinary Capital Stock Sold		45,000,000.00
Net Proceeds Lands and Townsites		88,356,525.55
Surplus Revenue from Operation		129,506,628.36
Special Reserve to Meet Taxes Imposed by Dominion Government		2,462,922.04
Surplus in Other Assets		106,408,202.76
		$1,127,441,150.13

J. LESLIE, Comptroller.

Auditors' Certificate.

We have examined the Books and Records of the Canadian Pacific Railway Co. for the year ending December 31st, 1922, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

PRICE, WATERHOUSE & CO.,
Chartered Accountants (England).

Montreal. March 10th, 1923.

An Investment of the Highest Merit

A Great-West Life Endowment policy offers investment inducements of the highest merit with absolute security—a provision for comfort in old age—against want by your dependents if you should die.

Ask any Great-West Life representative or write

The Great-West Life Assurance Company

Dept. "G" Head Office: Winnipeg

AN OUTLET FOR FUNDS

Treasurers of various organizations, executors, trustees and many private individuals have sums of money which can be safely and profitably invested, even though their use may be required in the near future. Canada Permanent Bonds have a flexibility which specially suits them to the investment of such moneys. They are issued in sums of $100 and upwards for any term of not less than one or more than five years. Interest is payable half-yearly, and both interest and principal will be made to become due on any dates desired. For terms of 3, 4 or 5 years they bear five and one-half per cent. per annum, and for 1 to 2 years, five per cent. per annum. No expense is attached to investing in these Bonds or to collecting the interest and principal.

Is it good business to keep any funds unemployed when they can be so profitably invested in such an absolutely safe security?

Canada Permanent Mortgage Corporation

14-18 Toronto Street, Toronto.

Paid-up Capital and Reserves $14,334,155.90
Investments $41,365,608.36

INVEST YOUR SAVINGS

5½% Interest Return

in a 5½ DEBENTURE of The Great West Permanent Loan Company

SECURITY

Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00

HEAD OFFICE, WINNIPEG

Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

Dominion Textile Company
LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

The Wabasso Cotton Company, Limited

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C.P.R. Stock Yields $6\frac{2}{3}$% and Has Good Possibilities

Big Railway System is Getting Costs Down and is Showing Higher Earnings on Common Stock Each Year—No Suggestion of Increased Dividend Rate

From Our Own Correspondent.

MONTREAL. — Canadian Pacific Railway common stock is quoted at the present time in New York at approximately 148. At this price it returns a yield to the investor of 6.70 per cent. This is approximately the highest point that was reached in 1922 and is 10 points above the lowest level at which it sold last year. It would be difficult to find another stock with the attractive possibilities for the investor that Canadian Pacific Railway offers. Here is the security of a billion dollar corporation that girdles the globe in its activities; a security that has paid dividends continuously for 41 years, since its very inception, with the exception of the single year; a security that in its years of worst depression did not fail to earn the dividends that it paid. From the investors' standpoint the C. P. R. is the most remarkable large railway system in the world.

Consider the railroad on the basis of capitalization. The C. P. R. has the third largest capitalization of any railroad system on this continent. The Pennsylvania System, the Union Pacific System, and the Atchison, Topeka and Kansas Railroad alone have larger capitalizations. But of these four lines the C. P. R. has by far the lowest capitalization per mile. Here are the actual figures:

	Capital	Per Mile
Atchison	$632,593,869	$ 54,169
Pennsylvania	975,316,977	132,895
Union Pacific	691,502,130	84,288
C. P. R.	634,538,352	47,198

These figures do not include capitalization on account of equipment trusts.

Financed Very Economically

Few railroads have been able to finance as economically and as expeditiously as the Canadian Pacific Railroad. In the early days of construction the promoters had embarrassments and anxieties that are now a part of the history of Canada but it can be said of the Canadian Pacific Railway that it never had a dollar from the Government of Canada that was not repaid. First mortgage bonds were issued early in the history of the line but these were all paid off and to-day the only bonded indebtedness of the Canadian Pacific Railroad is $3,750,000 of bonds of the Algoma branch line. The railroad has been financed almost entirely by the sale of its capital stock and by the sale of 4 per cent. consolidated debenture stock, which has achieved a fine reputation in British and New York financial markets and is saleable at the highest price of any railroad security in the world. Of this security there is outstanding $253,229,866. Also ahead of the common stock is $80,681,921 of 4 per cent. preference stock. Of the common shares there are outstanding $260,000,000. The average price that this stock has brought to the treasury has been $112 and to-day it has a book value of about $250 per share after deducting all liabilities.

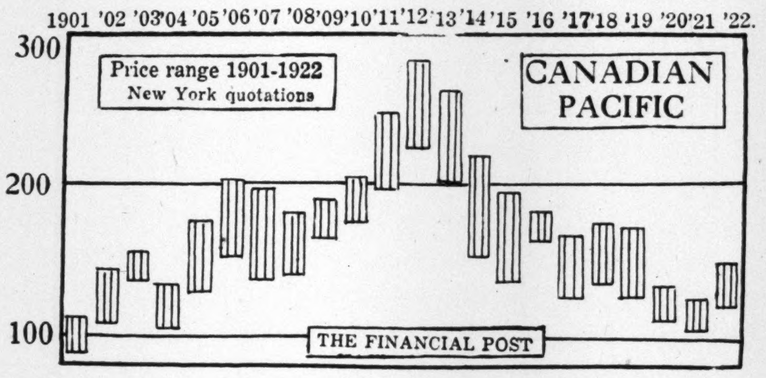
During the war years and after the C. P. R. had some difficult times. The percentage of earnings on the common stock after payment of all expenses dropped steadily from 1916 and reached a low level in 1918, when the dividend was barely earned. Since then there has been a gradual and steady improvement. The gross earnings of the line has been increasing to some extent but the chief reason for increased net earnings has been the gradual drop in percentage of working expenses to gross earnings. These reached the peak in 1921, working expenses were 84.7 per cent. of the gross earnings. In 1921 the working expenses dropped to 82.28 per cent. and in 1922 to 80.55 per cent. This figure is far above normal but there is every indication that the railway will be able to get it down further. Canadian Pacific has always been an economically operated railroad. For instance, during the ten years ending 1921 the average operating ratio of C. P. R. was 72.29 per cent. That of the Pennsylvania System was 82.12 per cent.; of the Atchison 69.27 per cent., and of the Union Pacific 62.99 per cent. The C. P. R. figures compare very favorably when it is considered that the C. P. R. is a coast to coast proposition; that the road is dependent to a very large degree upon the results of a single crop, the wheat crop, and that operating expenses have been tremendously inflated in Canada.

Will Dividend Be Increased?

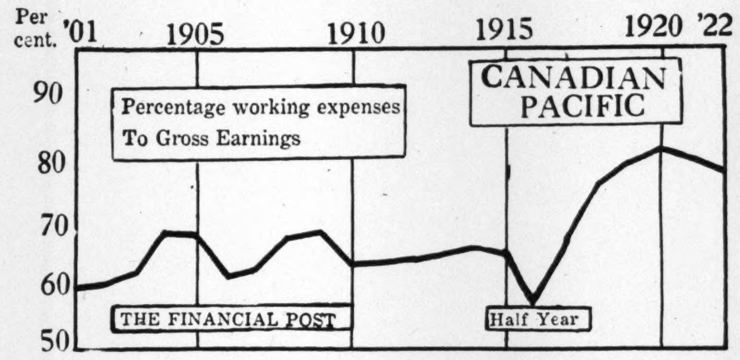
It is 12 years since C. P. R. made any change in its dividend rate and no one in close touch with the railroad hazards a forecast that the dividend will shortly be increased. In the past the railroad has always built up its liquid position stronger every year and if it is to continue to do so cannot entertain thoughts of increased dividend distribution. Most investors recall that 7 per cent. per annum of the C.P.R. dividend is paid from railway earnings and that this has been just earned during the past few years although the past two or three years has seen steady improvement. An additional 3 per cent. is paid out of special income from hotels, steamships and similar earning. The railroad has large surplus accounts in both the railway and the special income accounts sufficient to carry dividends on for a number of years, even if they were not earned.

Assuming that there is no immediate possibility of higher dividends for the C. P. R. what then is the future for those who invest in the stocks now? Before the war the stockholders benefited on numerous

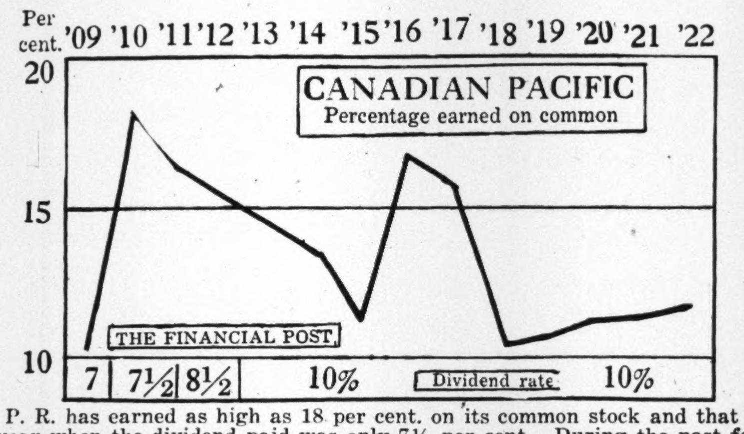
(Continued on page 15)



Canadian Pacific Railway common stock started a movement upwards in 1921 after almost steadily declining since 1912. The decline was due to changes in world money rates; to dumping of foreign shares and to difficult operating and political conditions under which the railway operated. All of these conditions are reversed to-day and indicate a favorable condition for the security.



After continuous increases in operating costs from the beginning of the war to 1920 Canadian Pacific Railway is now gradually getting its operating ratio back to normal. For two years the curve has moved downwards and is likely to go still lower.



C. P. R. has earned as high as 18 per cent. on its common stock and that in a year when the dividend paid was only 7½ per cent. During the past few years it has been a difficult struggle to earn the 10 per cent. dividends being paid but the significant feature of this chart is the upward curve since 1918. The difference between the dividends paid (shown in the bottom space) and the rate earned (shown by the black line) represents the building up of the liquid position of the railway that is always going on.

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MONEY, BANKING AND EXCHANGE

COMMONWEALTH BANK INVESTED FUNDS IN BONDS

Little Done to Aid the Farmer or Business Man

By A. B. BARKER,
Manager Toronto Clearing House

There is much in a name, and those who chose the title of Commonwealth Bank of Australia seem to have been extremely fortunate in their selection. It sounds as if the only aim and object of the organization was to supply the whole credit needs of the business and agricultural population of Australia, and yet the published statements of the institution make it very plain that these interests receive comparatively small benefit from its operations. It has been in business only a few years, but during that time has, through its wide-spread system of branches, accumulated some £80,000,000 in deposits, but instead of using the funds so obtained to extend accommodation to the trading and farming community, it has invested nearly half of this amount, some £35,000,000 in government and municipal securities; £19,000,000 more is invested in call loans, not in Australia but in London, and less than £15,000,000 has been loaned to the business interests in its own country, to traders, manufacturers and farmers.

If any bank in Canada or the United States made such a showing, it would probably result in a parliamentary or congressional investigation, and legislation would be sought to force a change of policy. Strange as it may seem, however, those who are claiming that the banks in Canada are unduly restricting credit, and who in consequence are advocating radical changes in the banking laws here, are urging the adoption of the Australian plan.

Canadian Call Loans

Canadian banks are frequently criticized for their policy of lending funds at call in New York as a means of employing their reserves, on the ground that this money should be kept at home, yet the foreign call loans of the Canadian banks amount to only 8 per cent. of their total liabilities to the public and are far exceeded in amount by the deposits in foreign branches of these banks. At the end of February, 1923, the foreign call loans of Canadian banks were $181,000,000, and on the same date the deposits in foreign branches were $288,000,000.

The objects of the Canadian banks, and of the Commonwealth bank are the same, to have a fund invested in promptly realizable assets, and the reason for the higher proportion of funds invested in this way by the Commonwealth bank is because of the excessive amount of its assets invested in long-term loans like government and municipal securities. The Australian venture has yet to stand the test of time, and whether a bank operated along the lines of the Commonwealth Bank could meet the strain of a steady and continued withdrawal of deposits, which would result from a shrinkage of business in Australia is a matter of opinion. The bank would, of course, have the credit of the country behind it, at least morally, but when the people want their money nothing else will do, and history is full of examples of the folly of relying on a currency based simply on the government's promise to pay, without the actual specie to back it up. Men will make great sacrifices for their country, but will not accept its promises to pay unless reasonably certain that these will be redeemed on demand.

A Lesson From the Past

This has already been proved in Canada. One of the reasons why the conquest of Canada was such a comparatively easy task was because of the over-issue of these paper promises to pay by the civil authorities under the French regime. These issued altogether some 80,000,000 livres of "ordnances," and card money, worth at par $16,000,000, but without arranging for their redemption, and the people refused to accept them in exchange for goods or services. Unable to purchase supplies, Montcalm could not hold his men together, as men will not fight unless they are fed, and when the final struggle came had practically only his regular troops to meet the attack.

The British, on the other hand, brought with them coined silver, Spanish dollars mostly, and with these were able to buy supplies from the French inhabitants, who much preferred to sell to the invaders as they could and did pay in coin, rather than to their own authorities who could pay only in worthless paper.

The one test of a theory is how it works out in practice, and so far, every departure from the tried and proved methods of finance has been disastrous, Russia being the shining example of this to-day. It may be pointed out, of course, that the methods in use to-day are not those of twenty years ago, even though the same system is in operation, and this is quite true, but at the same time no one can tell just how or when the change took place, it was so gradual.

Twenty years hence will be other changes, and the process will be the same. This would go to show that the change does not come about as the result of discussion and argument on the part of either practical men or theorists, but from a fundamental changing of conditions, to which the system automatically adjusts itself. In other words, a change of methods and not principles.

Royal

H. W. Harper, manager of the Big Valley branch of the Royal Bank, has been transferred to Vermilion, Alta.

Exchange

NEW YORK FUNDS

Mar. 29—Funds opened at 1 23-32 per cent. premium, sold down to 1 11-16, closing at 1 23-32.

Mar. 30—Market closed.

Mar. 31—Opening at 1¾, funds touched a high of 1 25-32, but closed again at 1¾.

Apr. 2—Market closed.

Apr. 3—Funds opened at 1 25-32, and closed at 1 13-16.

Apr. 4—Funds opened at 1⅞ and closed at 1 27-32, an advance of 1-32 for the day.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Mar. 29	4.67⅞	6.61½	5.01
Mar. 30	4.67¾	6.61	5.01
Mar. 31	4.67⅝	6.66	5.02
Apr. 2	4.67⅝	6.60½	4.97½
Apr. 3	4.66⅞	6.56	5.01½
Apr. 4	4.66½	6.50½	4.99½

BRANCH BANKING A FACT IN STATES

Idea is Growing Because of the Public Demand for Better Service

The branch banking issue in the United States is not whether there shall be branch banking, but whether the banks with National charters shall be allowed the same privilege of establishing branches as granted to the State banks under State charters. So far as branch banks are concerned they are already a fact and their number is increasing to meet the demand for service to the public. In the following statement of the future of branch banking, by H. F. Goff, president of the Cleveland Trust Company, the argument is effectively advanced that the branch banking idea is growing because it meets an insistent public demand:

No one need have any concern about the ultimate future of branch banking, at least of the kind that is restricted to the corporate limits of a single city. Its development will be determined not so much by what the banks themselves want, but by what the customers want and will increasingly come to demand.

Twenty-five years ago thousands of wage earners in the city of Cleveland were compelled to travel five or ten miles to deposit their weekly savings. Today there is a neighborhood branch of some strongly financed, ably managed bank, conveniently located in every growing community center. A quarter of a century ago small merchants in outlying districts were compelled to do their banking miles away at a downtown bank. In those days, in selecting a bank, consideration was principally given to the question of security and service. Today the public properly demands, in addition to safety and service, convenience and courtesy.

The Cleveland Trust Company was among the first banks in the United States to pioneer in the matter of branch banking. Today it has forty-nine branches scattered throughout the city, which afford convenient banking facilities to its 380,000 depositors, representing about 45 per cent. of the total population of the city—by far the largest number of depositors of any bank in the country.

Branch banking confined to the corporate limits of the city in which the principal office of the parent company is located, in my opinion, will develop more rapidly in the next five years than it has during the past twenty, for these reasons:

First, because it is economically sound in that it provides at minimum cost the maximum banking facilities, service and responsibility.

Second, because when the public comes to understand that such service can be made available, it will not be satisfied with inadequately financed and less ably managed independent banks.

Third, because strongly financed neighborhood banks, by making it convenient and safe to deposit savings before they are spent, will stimulate the habits of thrift.

WATCHING STEEL AS BAROMETER OF BUSINESS FUTURE

(Continued from Page 1)

Saskatchewan this winter is an example of the spread of mixed farming on the prairies. This is a step in the right direction in the opinion of American students of the situation who believe that the difficulty with the agricultural industry is over-production in relation to European buying power. Canada would be in a better position with a greater variety of farm products for export as compared with such a large surplus of wheat.

There is still talk of various credit schemes to benefit the Western farmer but at the same time an increasing appreciation of the fact that the farming community has already borrowed heavily and that the final solution is through increased output of products that can be marketed profitably.

New buying of farm implements in the West, although not on a big scale, is a good sign. The costs of production have again materially increased according to the manufacturers, but there is a general effort to keep prices down.

The Backward Season

The very backward season has had its effect in many lines of trade. Goods which are usually in the hands of consumers are still on the shelves of retailers in many instances. However, stocks are not so heavy as would have been the case some years ago, owing to the general policy of the quick-turnover which merchants have favored with the high prices and generally increased carrying and overhead charges.

In the textile lines, wholesale business on the whole in the maritimes and Ontario is good and picking up in the West. Retailers have been hit, however, by the unseasonable weather particularly in relation to the Eastern trade. House furnishing lines are fairly good—not so much furniture as draperies and carpets. Good weather would help a great deal with retailers generally.

WEYBURN SECURITY INCREASED EARNINGS

Showing a Satisfactory One to Shareholders in View of Conditions

With a considerable increase in demand deposits and some increase also in savings and with only a slight reduction in current loans, the Weyburn Security Bank was able to show some increase in net profits for 1922, the total of $48,427 comparing with $46,628 in the previous report. This must be regarded by the shareholders as a satisfactory showing when the generally depressed conditions in agriculture are taken into consideration. After the payment of dividends at the rate of 7 per cent. and appropriations for bank fixtures and taxes the balance was increased to $16,979 compared with $16,144 brought forward. Following are comparative figures:

	1922	1921	1920
Bal. forward	$16.144	$14,306	*$ 7,249
Net profits	48,427	46,628	50,493
	$64,571	$60,934	$57,742
Dividends	36,719	36,719	35,113
Bk. fixtures	3,240	3,782	3,598
Tax on inc.	7,633	4,289	4,725
Balance	16,979	16,144	14,306
	$64,571	$60,934	$57,742
Earn. on cap.	9.3	8.9	10.0

*—Less income war tax, year 1919.

An increase of over $550,000 in balances in other banks enabled the bank to increase its ratio of immediately available liquid assets to total assets and to the total of liabilities to the public. Following are comparative figures from the balance sheet:

	1922	1921	Change
Immediately Available Liquid Assets			
Specie	$ 15,757	$ 16,232—	$ 475
Dom. notes	93,765	124,543—	30,778
Note cir. dep.	23,548	22,862+	686
Notes, bk.	23,275	21,734+	1,541
Bank bal.	1,130,846	578,515+	552,331
Do., ab'd	186,572	52,014+	134,558
Gov. sec.	436	260,115—	259,679
Cheques	39,158	25,885+	13,273
	$1,513,357	$1,101,900+	$411,457
% total as'ts	38.2	30.8 +	7.4
% total liab. to public	47.5	39.3 +	8.2
Other Assets			
Pub. sec.	$ 13,315	$ 34,367—	$ 21,052
Mun. loans	41,362	57,643—	16,281
Current	1,904,105	2,054,160—	150,055
Over debts	94,289	9,081+	85,208
Real estate	100,123	27,120+	73,003
Mortgages	26,587	24,817+	1,770
Premises	208,341	204,220+	4,121
Other assets	67,852	70,864—	3,012
	$2,455,974	$2,482,272—	$ 26,298
Total assets	$3,969,331	$3,584,172+	$385,159
Liabilities to Public			
Circulation	$ 470,728	$ 433,197+	$ 37,531
Dom. deposits	1,293,260	904,298+	388,962
Savings	1,310,779	1,229,716+	81,063
Due banks	11,342	33,884—	22,542
Due Dom. Govt.	57,698	163,846—	106,148
Due Prov. Govt.	30,621	22,845+	7,776
Other liab.	10,004	12,322—	2,318
	$3,184,432	$2,800,108+	$384,324
To Shareholders			
Capital	$ 524,560	$ 524,560	$ ......
Reserve	225,000	225,000	......
Dividends	18,360	18,360	......
Balance	16,979	16,144+	835
	$ 784,899	$ 784,064+	$ 835
Total liab.	$3,969,331	$3,584,172+	$385,159

Ontario Savings

Arrangements have been completed for the establishment of a new branch of the Province of Ontario Savings Bank, at 549 Danforth Avenue. This will make the second branch of the bank opened in Toronto.

Weekly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES	Mar. 29, 1923	Change	%
Toronto	$ 91,144,729—	$ 4,203,023	4.4
Montreal	77,509,232—	8,114,442	9.4
Ottawa	5,218,548—	435,805	7.7
Hamilton	4,978,014+	275,936	5.8
Quebec	4,852,488+	818,919	20.3
Windsor	3,316,693+	816,172	32.6
St. John	2,666,792+	351,130	15.1
London	2,423,317+	311,656	14.7
Halifax	2,313,924—	226,490	8.9
Moncton	1,142,683—	107,672	8.6
Kitchener	841,953+	103,099	13.9
Brantford	777,166—	19,560	2.4
Sherbrooke	699,684+	80,714	13.0
Peterboro'	637,579+	40,315	6.7
Kingston	490,193—	195	.04
Total East	$199,012,995—	$10,309,246	4.9

WESTERN CITIES	Mar. 29, 1923	Change	%
Winnipeg	$ 32,749,491+	$ 546,866	1.7
Vancouver	12,663,475+	1,207,609	10.5
Calgary	3,868,972—	46,690	1.2
Edmonton	3,270,879—	36,726	1.1
Regina	2,654,717—	83,254	3.0
Saskatoon	1,159,435—	70,467	5.7
Moose Jaw	890,011+	66,744	8.1
Ft. William	598,442+	75,158	14.3
New Westminster	529,598+	97,138	22.4
Lethbridge	400,739—	158,333	28.3
Brandon	385,860—	59,282	13.3
Medicine Hat	285,381+	33,608	13.3
Prince Albert	283,118+	25,237	9.8
Total West	$ 59,740,118+	$ 1,597,608	2.7
Grand total	$258,753,113—	$ 8,711,638	3.2
Victoria	1,684,408		
Yr. to date	$3,651,754,052—	$184,159,384	4.8

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES	March 1923	Change	%
Toronto	$394,899,681—	$ 42,314,986	9.6
Montreal	388,729,604—	61,026,208	13.5
Ottawa	26,098,127—	1,664,067	5.9
Hamilton	22,827,929+	723,202	3.2
Quebec	20,929,900—	637,899	2.9
Windsor	13,530,551+	812,730	6.4
St. John	11,264,930+	42,919	4
London	11,146,451—	618,948	5.2
Halifax	10,862,566—	1,566,241	12.6
Kitchener	4,203,783—	25,346	.6
Moncton	4,175,308—	608,491	21.7
Brantford	3,693,707—	415,793	10.1
Sherbrooke	3,449,179+	75,630	2.2
Peterboro'	3,097,080—	25,832	.8
Kingston	2,324,797—	381,647	14.1
Total East	$921,233,593—	$107,630,976	10.4

WESTERN CITIES	March, 1923	Change	%
Winnipeg	$146,031,829—	$30,908,129	17.4
Vancouver	56,277,072+	463,431	8.3
Calgary	18,314,705—	3,372,416	15.5
Edmonton	15,739,217—	1,673,264	9.6
Regina	12,139,928—	747,136	5.8
Victoria	7,417,482—	1,092,211	12.8
Saskatoon	5,542,192—	929,095	14.3
Moose Jaw	4,080,886—	580,348	12.4
Ft. William	2,843,390—	33,190	1.1
N. Westminster	2,217,782+	184,563	9.1
Brandon	2,030,914—	355,661	14.9
Lethbridge	1,978,572—	548,794	21.7
Prince Albert	1,396,243+	21,657	1.6
Medicine Hat	1,295,361—	171,818	11.7
Total West	$277,300,573—	$39,742,411	12.4
Grand total	$1,198,534,166—	$147,373,387	10.9

MINNEAPOLIS BANKS GIVE RADIO SERVICE

Market Quotations and Other News Broadcasted Over Large Area

Nearly a year ago, when radio was in its infancy and most business men regarded it merely as a novel and entertaining form of amusement, the Minnesota Loan & Trust Company, Minneapolis, established its broadcasting service for market quotations over WCE, owned by a local electric company. This service, at first carried on in a limited way and covering a radius of only about 360 miles, was an experiment, but business men of the Northwest were at once convinced of its usefulness and it was broadened to include a more comprehensive program, according to Commercial West.

In September, 1922, the powerful broadcasting station, WLAG, was opened in Minneapolis, the Minnesota Loan & Trust Company and the Northwestern National Bank being among the ten Twin City business concerns guaranteeing its support. With four months of experience in continuous daily broadcasting the Minnesota Loan & Trust Company, with the Northwestern National Bank, then inaugurated their WLAG radio service, which was to furnish the entire Northwest with daily market quotations, and was to become an established institution.

The Broadcasting Program

Their broadcasting program opens at 9.30 o'clock in the morning with the weather forecast, received from the United States Weather Bureau. It is followed by Minneapolis grain market quotations, openings, and receipts of cars of grain, received by direct wire from the Minneapolis Chamber of Commerce. Reports from the New York bond market, foreign exchange quotations, and openings, which reach the Minnesota Loan & Trust Company by leased wire, are next broadcasted, followed by reports on South St. Paul and Chicago live stock quotations, received from the United States Department of Agriculture. Between 10 o'clock and 11.30 Minneapolis grain market quotations are again broadcasted. Shortly before noon Minneapolis produce quotations, received from the Daily Market Reporter, are sent out, and also New York quotations on 20 representative bonds. Beginning at 1.30, Minneapolis grain market quotations, closing, futures, cash, and to arrive are broadcasted. These are followed by Chicago grain market quotations and reports from Kansas City potato markets, and on Chicago produce. The daily program ends with closing quotations, weather reports, bonds, foreign exchange, live stock quotations, and review of the stock and bond market as given in the morning. To furnish a complete and comprehensive news service of this kind wires have been leased, extending from coast to coast and from even Liverpool and London openings are broadcasted daily.

ALL NOT HEARD OF GRATUITIES TO RAILWAY MEN

(Continued from Page 1)

salary for three months, $3,500; A. B. Atwater, assistant to president, western lines, $1,000.

The English board of directors was especially liberal: Howard G. Kelley was voted $40,000 on Grand Trunk account and $10,000 on G. T. P. account; R. S. Logan, who got $3,500 from the Canadian board "preliminary to superannuation," received $12,000, while Frank Scott, who got $6,000 from the Canadian board "preliminary to superannuation," also received $25,000. The explanation of why Scott received so much consideration is contained in a board minute of the English directors, which, by the way, was dated London, December, 1919.

"It was also decided to grant Frank Scott, vice-president and treasurer looking to his successful working of the fire insurance over a number of years, a sum of $25,000; and to H. H. Norman, secretary and H. Deer, assistant secretary, $12,500 and $10,500 respectively; the whole of the above gratuities to be debited to the fire insurance fund."

It was on this date that a number of other gratuities were granted, the board minute relating thereto being:

"The chairman explained the position in which many of the chief officers, who had been in the service of the company for a very long period, might be placed when the change of administration of the Grand Trunk Railway took effect in consequence of the agreement made with the Canadian Government for acquiring the Grand Trunk System, and then submitted letter from the vice-president and treasurer to the president, dated 8th November, with reference to the satisfactory working of the company's fire insurance fund, which at 30th June last showed a surplus of $223,957 over the amount of $1,000,000, which is considered ample to cover all liabilities of fund. On recommendation of the chairman it was decided, after consideration, to vote one year's salary as gratuity to each of the following officers:

"Howard G. Kelley, $50,000; J. E. Dalrymple, $16,500; W. D. Robb, $16,500; R. S. Logan, $12,500; J. M. Rosevear, $12,000; D. E. Galloway, $9,000; W. P. Hinton, $15,000; H. H. Hansard, $7,200; S. P. Porter, $4,200; G. T. Bell and H. C. Martin got $5,000 each."

The compensation voted by the members of the English Grand Trunk board to themselves was put through in February, 1920, the minute being:

"It was moved by A. B. Bosher, seconded by E. Roberts and unanimously resolved that the board of directors be granted, as compensation for loss of office, an amount equal to five years' remuneration, to be paid to them out of the contribution to be made by the holders of the debenture anl guranteed stocks, and to be divided as the board may determine."

The remuneration was at the rate of $33,580 a year, and for five years would equal $167,800.

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TRADING in bonds is like trading in any commodity—the wider market you have the more likely you are to dispose of your goods to advantage.

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	Price		Price
1924—$5,186.70	100.38	1930—$7,151.65	104.29
1925— 5,471.97	100.55	1933— 8,397.76	102.07
1926— 5,772.93	100.71	1934— 8,859.64	102.21
1927— 5,090.44	100.87	1935— 9,346.92	102.33
1928— 6,000.00	101.02	1936— 8,861.00	102.46
1929— 6,000.00	101.16	1941— 7,887.93	102.98

Denominations: $1,000 and odd amounts
PRICE: 1924-1932, rate to yield 5.30%
1933-1941, rate to yield 5.25%

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Special Mining Issue

THIS WEEK'S issue of Our Market Despatch will consist of eight pages completely filled with the latest and most authentic information from the leading gold and silver mines of Northern Ontario.

WITH the mining security market exceedingly active and showing signs of continuing so until the general range of prices is considerably higher, the news contained in Our Market Despatch should assist you in making successful your market operations.

WE are anxious to have a copy of this publication in the hands of all interested in what promises to become Canada's most powerful and profitable asset—The Mining Industry.

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NEWS AND VIEWS FOR MANAGERS

INCREASING THE TOTAL OF SMALL SAVINGS ACCT'S.

A Number of Ideas Which Are Bringing Good Results

From Our Own Correspondent.

ST. JOHN.—How to increase, not the size of the individual savings accounts but the number of the smaller accounts, has been a subject of vital interest to bank managers, particularly to the managers of the smaller branches.

Devious ways and means have been indulged in to expand the number of savings accounts. As one manager of a small branch bank phrased it: "I would rather have a bunch of new depositors for my savings department who would put in a dollar a week than one new depositor who would put in twenty-five dollars a week. It would show I'm doing some work."

One manager of a small Maritime province branch has placed on a shelf in the corridor literature in which the efficacy of saving money weekly is emphasized. Small booklets have been piled on the shelf, and there is a card above suggesting that "everybody take one." The manager says in the course of a week the number of booklets taken away is surprising. To the booklets this manager attributes a jump in the number of depositors for his savings department of fifteen per cent. after two months of trying out the idea of the booklets.

Effective Suggestions

Another manager has evolved a unique reminder which has been effective in increasing the number of savings department depositors. He has paraphrased the axiom, "Eat an apple a day and keep the doctor away." Instead of the original saying he has produced, "Save a dollar a day and keep the poor house away." He has had this modernized version of the old axiom painted on cards and the cards distributed about the bank.

One manager of a small bank in the Maritime provinces has had the following suggestion printed on a card and the card placed in a conspicuous position facing the teller's cage: "There is one book you will always take pleasure in reading—your bank book." The card is suspended and is large and no customer of the bank can avoid reading the words. This manager believes the card is responsible for the increase in the number of his savings deposits.

It is really astounding what a little effort will accomplish in the way of silent persuasion.

An Interesting Tangle Regarding Wired Funds

Re E. H. Clarke and Company is an interesting and recent Ontario case which involved a rather novel set of circumstances.

In this case it appeared that E. H. Clarke and Company carried on business in New York and Toronto. On a certain day at 3.15 p.m. the Toronto manager drew a cheque for $2,052 on a Toronto branch of the Royal Bank, and handed it to the Bank with instructions to wire the proceeds to the Royal Bank in New York to be paid to Clarke and Co.

The telegram did not reach New York until after banking hours—at 5.30 on the same day one Miller was appointed receiver of the assets of Clarke and Co., by the U.S. Courts, Miller demanded the $2,000, and payment was refused.

In the meantime Clarke and Co. had made an assignment under the Canadian Bankruptcy Act, and then the question was, which trustee was entitled to the $2,000—the American or the Canadian?

"The money was wired to N.Y.—came within my jurisdiction, and I'm entitled to it," the American trustee argued.

"When the Toronto manager told the Royal Bank to wire the money that made the Bank his agent, and the money's under the control of the Canadian Courts till it's actually paid over," the Canadian official contended.

Judge Fisher of the Ontario Supreme Court decided in favor of the Canadian trustee.

"The bank wired, but before they could pay, E. H. Clarke and Co. had ceased to exist, they had gone into the hands of a receiver who had the right to take possession of the assets of the firm. It became impossible for the bank to fulfill its undertaking. The bank in New York had not parted with possession of the credit wired them, and until they had the title and ownership of the moneys remained in the remitters and their trustee," said the Court. "The wire of credit in this case, in my opinion, amounted only to an executory contract between the Royal Bank and E. H. Clarke and Co. in Canada for the purchase and sale of credit entered into in Toronto, establishing a credit in E. H. Clarke and Co., N.Y., through the agents of the Royal Bank there. It was not a case of remitting funds or currency. It was simply a removable order to pay and subject to recall or cancellation. I fail to see how any contract or trustee relationship existed between the Royal Bank, N.Y., and E. H. Clarke and Co., N.Y., upon which E. H. Clarke and Co., N.Y., or the receiver could sue."

Bank Branches

According to the Bank Directory the total number of branches of the Canadian chartered banks at the end of February was 4,648. Of this total 4,448 were situated in Canada.

Fielding's Amendments to Bank Act Criticized for Omissions

Authority on Subject Makes Some Strong Proposals for Changes—Wants More Capital and System of Inspection—Does Not Like Bankers' Association

Some interesting views on Hon. W. S. Fielding's bank act amendment proposals and some interesting suggestions on points Mr. Fielding may have taken up, or, as is intimated, deliberately passed up, are contained in a contribution of ideas on the Bank Act made to THE FINANCIAL POST by an authority on banking matters. Undoubtedly there will be many who will disagree with some of the proposals made. It will be noted that the majority of them are of a constructive nature, bespeaking a keen study of Canada's banking and credit problems.

A brief outline of the suggestions follows:

Clause 88 should be abolished, 88a amendment should be rejected.

Amendment to provide or ensure shareholders audit will not attain object.

Banking needs more capital.

Fielding amendments will not safeguard the public any more than the act as at present constituted.

There should be a system of Government inspection.

Trust companies find inspection an asset. They advertise it. Would not the same apply to banks?

Limit the amount loaned to any individual firm or corporation to 10 per cent. of the bank's capital or surplus.

Decentralize the bank control as exercised by the Bankers' Association.

Important defects of this system are, control of all clearing houses and the right to refuse a bank permission to withdraw from the Association.

Banks should not have a say as to who shall or shall not be granted a bank charter.

Mergers should be prohibited.

Right to charge exchange on cheques from outside points should be removed immediately.

There is food for thought in the above constructive suggestions in regard to the Bank Act amendments.

Inspection of banks has long been mooted and frowned upon by others just as long. This authority considers inspection imperative, as he does also the need of more capital.

Dealing with the first point, the abolition of section 88. This instrument of the act gives banks first claim for a loan in a bankruptcy case. Many business houses frown upon it. Many have already registered their opposition to the additional clause it is proposed to add, which is to work in conjunction with section 88. It would have all bank loans registered at Ottawa. Before selling a bill of goods, a house could learn if the customer had any bank loans which their goods, once shipped, might become security for.

Discussing this phase of the question, the contributor of these suggestions sets up that the banks at present under section 88 are placed in a privileged position. Instead of having to take their place with the other creditors, they are made absolutely secure. They have a preferential claim on everything.

The business house is placed in the position of being the risk taker. Though the claim is equally as strong as that of the bank, it must rank second.

It was pointed out that one of the strongest critics of the paternal legislation in the West that has given rural credit securities, and other such bodies who have loaned the farmers funds for seed grain, etc., and who were given first claim on all the farmers' belongings, have been the banks. They claim that there was no chance for the others. Yet in business the banks are doing absolutely the same thing. The banks should be consistent at least.

Audit and Inspection

Mr. Fielding's amendments give considerable attention to the shareholders audit problem. He will have the Chartered Accountants' Association of the Dominion submit a list of eligible auditors to the Government. This list will be censored, and from the names remaining, the shareholders of the banks will annually pick their auditors. The fundamental principle of a shareholders' audit is good. In practice it works out that when the auditors are chosen it is the general manager who makes the choice, the shareholders ratify. This is very easily done. The general manager will have his own friends. He does have and will have the choice under the Bank Act of today and the proposed amendment will not change things.

The three year clause which provides that no auditor shall be continued for more than three years. This is easily got over. A change can be made for the fourth year and then for the next three years revert to the old order of things.

All in all, Mr. Fielding's amendments have a slight element of lightening, but the principle is the same and the changed act will not work a whit different than at present.

Some very important phases of the act have been omitted from consideration altogether by Mr. Fielding. The need for more capital ranks as one of the most important.

From 1913 to the present, the average increase per year in the capital of the banks has been less than one per cent. Prior to 1913, the annual increase was 4½ per cent.

There is less capital going into banking, yet at the same time the liabilities of the banks to the public have increased enormously. If the capital does not keep pace with the liabilities, the system is steadily becoming more unsound.

Another factor that shows the unsoundness of the banks in relation of capital and reserve to liabilities, is the following:

In 1900, capital and reserve constituted 28 per cent of the banks' liabilities to the public. In 1922, the percentage stood at 10. Liabilities have enormously increased, capital and reserve are falling back. The system is getting on a more unstable basis all the time. The increase in liabilities ought to demand an increase in capital. More than that, a large part of the capital has been invested in bank premises, fine and costly in many cases, elaborate furnishings, while a relatively small amount is employed for production purposes, loans to the public. There is no reason for this heavy expenditure on premises with a consequent cutting of the amount available for loans.

Position Not Improved

Under the Fielding amendments, the public interest is not safe guarded any more than at the present. There is no better guarantee of soundness than there is at present. Mr. Fielding objects to a system of Government inspection, on the ground that it would produce no better results, and that it would cost a great deal.

First of all, there is no need for inspection of branches. The head offices and a few of the more important branches only, would have to be inspected and watched. There is no need to inspect the minor branches. The reason is that the large loans are made by the head office and a few of the important branches, and most of the losses are from the large loans.

Trust companies and insurance companies are inspected, why not the banks? The trust companies find the inspection good. They advertise the fact that they are inspected. The banks would recognize that it is to their advantage to have a system of inspection if they weren't so dull.

Mr. Fielding, speaking of his amendments, in the Commons, remarked that a system of inspection would give a source of false security. The public would think the Government was guaranteeing the bank's transactions. This point or condition is hardly worth considering. May as well say, that because we have the police we have a guarantee that there will be no crime; that because there are laws against theft, there will be no theft. A system of inspection would not create any more feeling of security. It would simply assist towards protecting the public. A thoroughly experienced banker as inspector would handle a system of inspection much the same way as the Federal Department of Insurance operates. The cost would fall well below $200,000 annually.

Large loans have been the cause of bank disasters, and for this reason the Bank Act should limit the amount loaned by a bank to any individual, firm or corporation to 10 per cent. of the bank's capital or surplus, if possible a great deal less, and thus cut down those extraordinary high loans.

Coming to the question of the Bankers' Association, there are two needs which stand out. More banks, and the decentralization of the control of the association. This association has two points that should be removed, control of all clearing houses and the power to refuse any bank the right to withdraw from the association, once a member. The association also has the say as to who shall get a charter. Applications for a bank charter are referred by the Minister of Finance to the association. In other words, the banking facilities are in the hands of the association. No one else can come in unless they say so. When you combine that with the possibilities of mergers, one can see how a concentration of control is going to work out. If the Minister of Finance favors mergers, we would soon have but three or four banks. Such a power as the association has is too great for a democratic country.

Immediate action should be taken to prevent banks charging exchange on cheques issued in outside places. It is absolutely contrary to the banks purpose, which is to facilitate the transfer of capital and widen the area.

One of the advantages of the branch banking system is that capital can be transferred more readily and economically from one section to another. Banks are getting a large amount of interest on deposits that are not costing them anything. The present system is utterly absurd. Banks loan their credit, on which they make an enormous sum and then charge for the privilege of transferring these funds.

Who Owns the Banks?

THE TELLER

There are many, many people who will accept an opinion as being a fact and this is the case with several questions relative to the Canadian Banks and the Canadian Banking System. Staunch claims have been made by demagogues that the banks of Canada are capitalistic concerns and it is surprising the number of people who have this entirely erroneous notion. Yet if the matter were analyzed properly it would be found that Canadian banking stock is very widely distributed, just as is the stock of other national institutions. In fact, bank stock is often held by a fortunate person who finds it his only source of steady income. Take, for instance, our institution. There are 12,329 shares issued to a total number of 1,723 shareholders who own ten or under shares, while those holding from eleven to twenty-five shares total 128. There are 73 persons holding over twenty-five shares. The average holding, however, is 7.15 shares. From these figures it is plainly evident that the bulk of our stock is held by small shareholders. The Sterling Bank is but a sample of the distribution of Canadian bank stock generally. Not a few financiers—but 1,723 persons, because they are shareholders, are joint owners. Furthermore, the majority of our shareholders are farmers.

These are plain facts indeed and there can be no doubt as to the duty that falls to any banker when the opportunity presents itself to pass them along. At the present parliamentary session at Ottawa the Canadian Banking System is up for revision, a system which has piloted the Dominion through the darkest period of financial depression the country has ever known and been accountable to a large degree for a state of national prosperity far in advance of countries who were hit much less hard by the same conditions Canada grappled with to success. Any drastic change in the Canadian Bank Act is not going to affect one or two or a dozen individuals—it will affect nearly every individual in Canada. If, by legislation, the Canadian banks are going to be hampered or confined, it is obvious that such action will have a detrimental influence on the profits paid to the many people who have invested in bank stock. But if the banks are allowed to function as they have done in the past for the best interests of all the industries of Canada, soundly adhering to economic laws and economic principles, the deviation from which would be disastrous to any governing body which attempted it—then, and then only can the masses derive full benefit from the banks.

Would Make Brokers Provide a Huge Bond

That no broker should be allowed to do business without putting up a huge bond with the Government, was a declaration by Mr. Justice Fisher in the bankruptcy court at Osgoode Hall, when J. E. Day, acting for the trustees in bankruptcy of Howard Graham, broker, asked for instructions with regard to a sum of $2,500 lent to Graham by his mother last September, and repaid by him two days before he went into bankruptcy. James Haverson, K.C., acting for Mrs. Graham, urged that she was entitled to receive and retain the money, though he admitted that Graham was hopelessly insolvent when the payment was made.

Page-Hersey Tubes have declared a $1.50 bonus with the regular $1.50 common dividend. This makes $4.25 paid on the common this year. Earnings of the company have been steadily mounting.

CITY OF REGINA

SASKATCHEWAN

5½% Debentures

$389,414.00

Sealed Tenders endorsed "Tenders for Debentures," addressed to the City Commissioners, will be received up to eleven o'clock A.M. Thursday, April Ninteenth, 1923, for the purchase of the following Sinking Fund Debentures:

LOCAL IMPROVEMENTS

Pavements	$73,800.00	15 years	Dated May 1st, 1923
Domestic Sewers	5,400.00	30 "	" " " "
Watermain Extensions	3,036.00	30 "	" " " "
Plank Walks	17,000.00	5 "	" " " "
	$99,236.00		

REFERRED BY-LAWS

Waterworks Extension (Boggy Creek)	$ 26,402.00	30 years	Dated May 1st, 1923
Street Railway	24,000.00	15 "	" " " "
Waterworks Extension (No. 1 Power House)	49,214.00	10 "	" " " "
Waterhouse Con'tions & Meters	24,262.00	20 "	" " " "
Sewer House Connections	8,300.00	30 "	" " " "
Exhibition (water & sewer)	8,000.00	20 "	" " " "
Collegiate Institute	150,000.00	30 "	" " " "
	$290,178.00		

The issues under the heading Referred By-Laws are offered subject to the approval of the Burgesses. These By-Laws will be voted on on the 18th of April next.

Alternative Bids are requested—

(1st) On the basis of both Principal and Interest payable in New York, Montreal, Toronto or Regina, at holder's option.

(2nd) On the basis of both Principal and Interest payable in Montreal, Toronto or Regina, in Canadian Currency only.

Tenders for the above issue may be for the whole or any part of same.

The Bonds are a direct obligation of the city at large and are issued in coupon form with Interest payable Semi-Annually and Principal at date of maturity.

Provision is made for registration of Principal only.

The right is reserved to reject any or all proposals.

Further information will be furnished upon application to the undersigned.

JNO. E. SNOWBALL,
City Treasurer.

New Issue

$5,000,000

Province of Quebec

5 Per Cent. Twenty Year Gold Bonds

Dated March 15th, 1923 **Due March 15th, 1943**

Denomination, $1,000.

Redeemable as a whole, but not in part, on and after March 15th, 1938, and not earlier, on sixty days' notice, at 100 and accrued interest.

Principal and half-yearly interest (March 15th and September 15th) payable at the Bank of Montreal, Montreal, Toronto or Quebec.

Bonds may be registered as to principal only at the office of the Provincial Treasurer in Quebec.

These Bonds are free from Succession Duties in the Province of Quebec.

These Bonds are a direct and primary obligation of the Province of Quebec, and are payable from the general revenues, which amounted in the year ended June 30th, 1922, to $21,609,396. For the last ten years the Province has had an average annual surplus over ordinary and extraordinary expenditures of $1,208,245. The surplus for the last fiscal year was $5,033,419. The revenues include an annual subsidy from the Dominion of Canada amounting to $2,256,420.

Legal Opinion: Messrs. Markey, Skinner & Hyde, Montreal

FINANCIAL STATEMENT

Assessed value for local purposes of taxable real estate		$1,603,952,784
Total funded debt (including this issue)		60,604,926
Less:		
Sinking funds	$3,020,854	
Other assets (net)	6,669,468	
		9,690,322
Net debt (including this issue)		$ 50,914,604

The Net Debt is less than 3.18% of the assessed (Real Estate) Valuation

The Province has the power to levy a direct general tax to meet principal and interest on its debt, but has never found it necessary to do so.

Price: 100 and Interest, Yielding 5%

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23 Jordan Street - - Toronto
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The Dominion Bank
Toronto Montreal

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Toronto Montreal

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, APRIL 6, 1923

TAXES THAT ACTUALLY REDUCE REVENUES

THOSE who figure out the taxes of a country or a province always have to reckon with that last forkful of straw that, if it does not break the camel's back, at least makes him an inefficient worker. There are taxes that are good taxes up to a certain point; that provide revenue and provide it with the minimum of effort and of unfairness. And beyond that point they defeat their own purposes. Witness the cigarette taxes. At $6 a thousand cigarettes were heavily taxed, but Canadians smoked nearly 2,500,000,000 a year. The tax was increased last year to $7.50 a thousand and smokers turned to pipes and to rolling their own. Cigarette consumption dropped by about half a billion a year and the government suffered a net loss in revenue of about $2,000,000. The higher tax actually provided a lower revenue.

Now that is a small example. Let us look at a more important tax; that on incomes. There is one Canadian business man who paid over 50 per cent. of his total income in taxes to the Dominion government last year. He is not complaining to any great degree although he says that when he travels through Western Canada and sees parallel lines of track with trains on each of them he cannot help remarking, "There goes my money." In fact, he suggested an income tax for Canada long before any finance minister had the courage to adopt it. In former times he adopted a certain standard of living and put his surplus income into new developments, into industrial, financial, transportation and other corporations that created employment for thousands and built up national wealth. To-day he has not altered his standard of living but instead of having surplus funds for investment in such enterprises he turns it over to a government that is forced to sink it into railway deficits and advances, an expensive civil service and interest on debts that unfortunately were not created for development purposes.

The biggest argument for driving politics out of government business and for cutting expenditures to the bone is the fact that taxes throttle national development and in the end often defeat their own purpose—that of raising money.

AMENDING THE BANK ACT

NO SANE person, with the interests of the country at heart, wants to see the Canadian banking system torn limb from limb by the radicals at Ottawa who would generally dismember the Bank Act. At the same time it is to be seriously doubted if the pussy-footing policy of the government will have any other effect than to rouse these radicals to greater activity by increasing the appeal of their arguments in the minds of the people. At the same time, too, while Mr. Fielding's amendments are of a safe, sane and commendable character, there is a feeling that they do not go as far as they might in improving the Act in the interests of stockholders and depositors.

In this issue of THE FINANCIAL POST will be found a number of constructive suggestions for amendments to the Act, framed by a recognized authority in the field of economics who has been giving close study to the Canadian banking system. We submit these not necessarily with our endorsation but as suggestions which might be well considered during the proposed inquiry into the banking system ordered by the House of Commons and as desirable topics for discussion preliminary to that inquiry.

One general suggestion is made which is in keeping with a proposal made by THE FINANCIAL POST during the trial of the officials of the Merchants Bank. It is for the appointment of a superintendent of banking. This would not necessarily constitute a system of government inspection or a government audit. It would simply mean that there would be a practical, experienced banker under the department of finance to supervise the returns made to the government by the banks. With only a few banks operating in Canada, such a banker could readily secure such returns as would indicate to him the nature of the risks being carried and when such risks were regarded as in any way doubtful it would be a simple matter to go to the head office of the bank and check things up. In this way not only would the weaknesses in a bank's business be made apparent but such weaknesses could be repaired before they ate into the whole structure.

Canadian insurance, for example, has been put on a very solid basis in the interests of policyholders and shareholders. The department is administered by an efficient superintendent in G. D. Finlayson. There would seem to be no valid reason why a practical banker as superintendent of banking could not provide safeguards against such collapses as the Merchants Bank without the establishment of any elaborate or expensive machinery in addition to such returns as are now, evidently, merely used to stuff official pigeon holes.

WHY BADGER THE GOVERNMENT?

IT HAS fallen to the lot of a Toronto broker to place the blame for the power shortage at the Northern Ontario mines. He wants the government to stand aside, not badger the Hydro Commission any further but let the Hydro chairman be given a mandate to create in the mining region of the North a consolidated power system that will enable thousands to be employed.

The fact is that the power shortage in Northern Ontario is due to a mandate having been given Hydro some years ago to the exclusion of private enterprise. Years ago application was made for the right to develop certain powers on the Montreal River. The answer given was that these powers were being reserved for the people and would be developed by the Hydro Commission. Private enterprise was held up. Yet the powers in question will soon be producing with no thanks to Hydro, because private enterprise finally got a chance to do something. Hydro had its chance in the North. It did nothing.

PAYING FOR THE GENERAL GOOD

IN ALL the talk about the enforcement of the adolescent school attendance act in Ontario it is to be noted that there is no protest from the manufacturers and it will be the manufacturers who will chiefly bear the brunt of the loss which may be represented by the attendance of workers at the school courses.

The manufacturers in this case are again displaying their consistent interest in that progress of the community. For this interest in advancing the standards of life as well as providing workers with the material means with which to maintain those standards, they are seldom given credit. There are two reasons—two little groups who represent a trifling percentage of the whole. They are the graspers who, through unfair combines and by other methods, try to gouge the public, and the self-appointed mouthpieces who rush into all sorts of public controversies and make pronouncements which are unfortunately regarded as authentic pronouncements of the manufacturers as a whole.

LESSONS OF THE SYDNEY STRIKE

IT IS to be hoped that both employers of men and labor leaders are watching the struggle in Nova Scotia between the workers of the British Empire Steel Corporation and the company. There are lessons for both. The trouble has demonstrated the unfairness of the "check off" system under which an employer of labor must deduct union fees from his workmen's wages and hand them over to union officials in a lump sum to be used at times—the present for instance—in propaganda of a dangerous and contemptible kind. It has demonstrated that labor has nothing to gain from following foreign trouble makers of Soviet leanings, whose interests lay in the direction of political destruction rather than labor uplift.

On the other side the long drawn out, bitter feud between the corporation and the workers' leaders has shown that those in control of companies employing large bodies of men must take the workingman's viewpoint every once in a while to see what his real troubles are and to assist in remedying them before unprincipled demagogues seize upon them as pretexts for social rebellion. The newer trend in industry is one of co-operation between owner and laborer. It has been expressed in plans of industrial democracy, in profit-sharing and employee ownership, which have been only moderately successful but which have indicated the reaching out for something better than the class division of Capital and Labor, one on each side of a chalk line.

THE RESPONSIBILITY FOR CHIPPAWA

"MY HEART bleeds when I think of the insinuations that go about in this country reflecting on the professional character of these men. That is the one thing that hurts," declared Sir Adam Beck before the Gregory Commission inquiring into the Chippawa project of the Ontario Hydro, in referring to the figures showing how many of estimates submitted had been no indication whatever of the ultimate cost. But the dramatic effect for which Sir Adam always aspires was somewhat spoiled when Mr. Rowell quietly pointed out that the honesty of the engineers had not been challenged.

There has been no charge made that the engineers of the Hydro Commission or that the chairman of the Commission lined their pockets with the millions by which estimates were so quickly exceeded—the original estimate of about $10,000,000 has been raised to around $65,000,000, and the end is not yet. But after all it makes little difference to the people who must pay the power bills, or the taxpayers who must bear a part of the burden if the power cost is so high that it cannot be marketed in competition with the United States and Quebec, whether expenditures have been the result of graft or inefficiency, recklessness and extravagance. The fact remains that the price must be paid and they must pay it.

The evidence indicates that it is the whole system which is to blame rather than any individual or individuals. The weakness is the weakness which is inherently present in public ownership undertakings. The workers do not care whether they produce or not—the wages, high wages, will be forthcoming. The foremen are not called to account by the engineers because they understand that the money will be available. The commissioners or others who represent the people are not worried when all they have to do is to go to the government and get more money—in fact, in the case of the Hydro Commission the formality of going to the government was dispensed with.

The fact that Sir Adam Beck may be an honest man or that his engineers may be honest does not justify the waste of public money. The blame must be placed still higher. The government should never have permitted a man with so little experience in engineering and finance as Sir Adam Beck to plunge into such an undertaking with the idea that he must have the biggest power development in the world at any cost.

EDITORIAL NOTES

QUEBEC has not tied up millions of dollars in power developments of very doubtful efficiency.

* * * *

"THE HON. PETER SMITH will have to mend his fences. Quebec is borrowing money at less than 5 1-10 per cent."—Toronto Globe.

* * * *

THE JAIL should be a socialist's paradise. There equality prevails; everything is supplied and competition is eliminated.

* * * *

THE FACT that strikes in Canada resulted in about 2,000,000 idle working days last year is an important factor in considering the relationship of earnings to the standard of living. The economic loss resulting from this idleness of labor must be widespread. The buying power of the workers is greatly reduced while the shortage in production tends to advance prices.

* * * *

THE ARGUMENT for a provincial government bank in Alberta is advanced by the Bow Island Review, which declares that "Nova Scotia has a bank of its own, so why shouldn't Alberta?" It is dangerous to have the banking system discussed in the columns of a paper of which the editor thinks that the Bank of Nova Scotia is the bank of the government of Nova Scotia.

* * * *

THE BURSTING of the L. R. Steel chain store bubble cannot be taken as indicating the success or failure of the chain store principle, for other considerations were involved, says Hardware and Metal. The failure of this concern which had stores in a number of cities throughout Canada and the United States lends the latest vindication to the well known bromide about "fooling some of the people all of the time," and it is unfortunate that a group of promoters should have been allowed to develop this proposition to the stage where not only have hundreds of small investors lost their savings of years, but the failure is bound to discourage to some extent the investment of money in other bona fide ventures.

Americans Who Have Made Good

Those Who Have Prospered in the West by Hard Work Answer Those Who Would Give Country a "Black-Eye"

While some members of Parliament have been declaring in very positive language that if immigrants do settle in the West, it is doubtful if they can make a success of farming—they have been answered most effectively by some others who have emigrated from the United States. Some of those most confident of Western Canada are former Americans, who have not only made good, but have won the confidence of their neighbors to the extent that they have been sent to Ottawa to represent Western constituencies. It is also to be noted that these former Americans, now good Canadian M. P.'s, live in the province of Alberta, which has been hit hardest by the adverse conditions of the last two years.

D. W. Warner, who represents Strathcona, is one of these American settlers. Though 65 years of age, the last 25 of which have been spent as a pioneer in Alberta, still he is to-day one of the most optimistic respecting the future of that province and of Western Canada in general. And he has lived, too, in some of the best parts of the United States, having been born in Iowa and afterwards moved to Nebraska. But he looked for an even better country and decided to come to Canada. Here is his story, recently told to the House of Commons:

"I did not come to this country until I was forty-one years old. I had a family growing up and did not feel that where I lived I was getting ahead sufficiently to provide the kind of home that I wanted my children to enjoy, and I found that year by year it was becoming more difficult to realize my ambition. Therefore I looked around for some place where with energy and the exercise of what common sense I possessed, I could get ahead and lay up sufficient to guarantee my children a home. I have done that in Canada, and I do not feel that Canada has treated me so badly, although before this House last year I expressed the opinion that after living twenty-five years in my constituency it was amazing to me to see some people in the deplorable condition they were in at that time.

Will Be Glad to Get Back

"I know what the conditions are both in Canada and the United States. I spent a good many years in the United States: I have relations living there and I am in close touch with what is going on. It is my opinion that many people who are going to the United States will be glad to come back here, if we do what we can to alleviate our present difficulties. They will find out that Canada is the best place on this earth for anyone who wants to have a home of his own; that he can get it more easily and more quickly here than he can anywhere else in the world. Many people are going to the United States, I know, but they are not going on farms; in fact they could hardly buy farms there, considering the prices that lands are being held for. Our land in Canada is just as good as the land in the United States, at least, it is in the part of the country in which I live—and I know of the conditions in the United States because I have been from east to west and as far south as Mexico. Hon. members will agree, therefore, that I know what I am talking about."

L. H. Jeliff, who represents Lethbridge, is another American settler, born in Illinois, who has made good under the most trying of conditions, and to-day is most confident of the future of his part of the country. He is so, despite the fact that thousands of acres in his district have to be irrigated at great expense in order to ensure a regularity of crops. But these settlers have faith enough in their holdings to mortgage them heavily in order to get water. Speaking in the House of Commons, he did not deny that conditions were difficult, but he added that they must be considered in a comparative light, and so he put it thus:

Conditions Worse Elsewhere

"Where in the world can we go and not find similar or even worse conditions? We have come through a great war, and the situation in which we are placed, to my mind, is to a large extent the result of the losses of men and of treasure which we sustained during that great conflict and its inevitable reaction. I doubt whether any one of my farmer friends sitting to my left to-day, for whom I entertain the utmost respect and affection, could at this time plant themselves down in any other agricultural country in the world and find better conditions than exist right here in Canada, bad as these conditions are. We are here to try to help correct those conditions; and when I review the whole situation as best I can looking the world over, I must conclude, when considering the matter o immigration to this country that there is not another country on earth where incoming men who are honest, who are industrious, and who possess a fair share of intelligence stand a better show of making a livelihood than in Canada."

There are few men in Parliament who know more about hardship than L. H. Jelliff does. Here is his version of his experiences:

"I know what hard knocks are on the farm. I came to Canada twenty years ago knowing little or nothing about farming. I presume I have had harder knocks on that account than the man who comes here even with a limited amount of experience in that occupation. I have seen hard times, and I doubt if there is a man in this chamber who has had more and harder financial burdens to bear during those twenty years than I have. But all through that period I never lost one iota of my faith in the future greatness and destiny of Canada. I am determined to make a win yet on my farming venture, and I believe other men are equally determined. I have seen the wonderful growth and development of agriculture in Western Canada—a development such as has never been seen in any other country in the world within the same limited time. We should have hope and we should take courage from that fact.

After Twenty Years

"I came into Alberta as an immigrant twenty years ago. There was not a railroad in my neighborhood; I journeyed part way to the land which I had selected, on what we called a narrow-track or turkey trail railway, and in those twenty years I have seen that country fenced up all around me. Those lands, which formerly were the exclusive home of the ground squirrel the coyote, and a few straggling herds of cattle, are now the homes of hundreds and thousands, I am going to say, of prosperous and successful farmers. I have seen school districts blocked out, schoolhouses built churches built, towns and cities grow up, all the institutions of civilization placed in our midst, and the building in the three Western provinces of one of the greatest empires on earth."

These are but two of the thousands of Americans who have come across the line and made good, among whom are some of the best known names in Canadian history, such as Lord Shaughnessy, Sir William Van Horne, Sir George Perley, Sir Henry Thornton, the late E. B. Eddy and the late J. L. Englehart and a number of others who could be named.

These men have demonstrated to the world that Canada is a good country to live in, quite as good as the United States, and they don't hesitate to say so.

If Germany Adopts the Dollar

By A. B. BARKER.

The German Government, it is reported, has floated or intends to float a loan repayable in American dollars, and it is also intimated that a new German currency may be issued in dollars based on gold. Many seem to think that this is in some way a compliment to our American friends, but the chances are that it is merely an indication that Germany is getting ready to repudiate her old currency, and has chosen the term dollar as the most convenient symbol for the unit of the new issue to distinguish it from the old discredited marks.

In any event in this case the dollar is merely returning to its old home. It was originally a German or rather Austrian coin, the "thaler," which came to this side of the water when the pirates were operating in the Spanish main. Those of us who have read and enjoyed pirate stories in our boyhood, first or second, will remember the pieces of eight in which prisoners' ransoms were always calculated. The dollar was also used in reputable trade, and was in circulation in the American colonies and in Canada. Sterling was the legal coinage in the Colonies before the Revolution, but supplies of shillings could not be obtained in England, as the royal mint was closed to silver for a time. These dollars were available and their convenience in calculation made them popular, and eventually led to their adoption as the legal unit both in the United States and Canada.

Repudiation of the old currency in Germany will be hard on creditors of that country, at least on those creditors who hold these paper promises to pay, but still those who bought them knew they were taking a gambling chance, if the term gambling can be properly applied to the transactions. Gambling implies a reasonable chance that the player will win, but in this the players had no chance. An old circus man telling his experiences with the games he operated, used to deny emphatically that the players were gambling for this very reason. He used to call himself an educator.

When the new currency is issued it will probably be based on gold, of which there is reported to be a considerable stock in the Reichsbank, but the currency will be accepted at its face value only if people have confidence that it will be redeemed in specie on demand, no matter by what name the unit of value is distinguished.

This method of getting a fresh start is not new. France used it after her revolution. Before that time the livre was the unit of value and the basis of financial calculation then, and when the new currency was issued after the old had become worthless the name was changed to franc. France however did not alter the par value of the issues: it merely gave the new issues a real basis instead of the theoretical basis of the livre, which was supposed to represent a certain specified weight of gold of a certain fineness.

Of course Germany's idea may be to help her evade payment of the reparations obligations, but then she cannot pay these and apparently has no intention of trying. Negotiations will be carried on for a long time, but it is doubtful whether these will have any effect except to provide good salaries for the negotiators, and furnish subjects for lengthy contributions to financial literature. Still, by spinning out negotiations until people get tired of waiting for tangible results, and in fact have become accustomed to do without the things they formerly depended on, so that violent action is no longer to be feared, the negotiators will have deserved well of the business and industrial world. Mankind in the mass are like cattle in the mass, and subject to stampedes. When such a thing occurs with cattle they cannot be stopped or headed, they have to run themselves out. It is possible, however, if the ground is favorable, to gradually turn the head of the movement so that the excited cattle will be running in a constantly narrowing circle until they are thoroughly exhausted. "Milling" is term applied to this operation, and sometimes when a herd shows signs of approaching frenzy the cow punchers start them moving in a narrow circle until they are tired out, in order to prevent a possible stampede.

Mankind too are subject to these fits of frenzy, and the results are serious if the move is not turned; it can seldom be stopped outright. All that can be done is to keep them talking until they get tired out. When they get rested their attention is usually attracted in some other direction, and serious trouble averted.

The British are adepts at this sort of thing, and this was one of the chief reasons why the Germans, who wanted a stampede in 1914, refused to negotiate the questions which were ostensibly the cause of the world war.

Personals

P. H. WALSH, formerly with the Manufacturers Life Insurance Co., at Calgary, has been appointed manager for Eastern Ontario and Western Quebec for the Northern Life with offices at Ottawa.

LT.-COL. R. F. COTTRELL, D.S.O., representing a number of financial companies with investments in Canada, is staying in Toronto for a few days. He has interviewed local investment houses and the Dominion Mortgage and Investment Association. Col. Cottrell is compiling a report on Canadian finance and general conditions, etc., to place before influental interests in England.

F. K. WILSON, formerly superintendent of organization for the Canadian Order of Foresters and latterly with the Brantford agency of the Confederation Life Association, has been appointed manager for the company for the Niagara peninsula, with headquarters at St. Catharines. After 39 years of continued success with the company, W. C. Macartney has just retired from the position of Inspector for the Hamilton and Niagara district.

CURRENT OPINIONS

A FIFTY-FIFTY PROPOSITION

Salome Sun

Capital is simply accumulated labor in a negotiable form, and labor is nothing but negotiable capital in an accumulated form. In a way, both are the same and you can't hurt one without hurting the other. When a man goes out and labors a day for one dollar or five dallars, he is a laborer. After supper he dolls up and goes out and spends that dollar or five dollars—and then he is either a capitalist or a damn fool, depending on what he spends it for. Equality between labor and capital is and always must be based on the fundamental principle of good wages for good work and good work for good wages. It's a fifty-fifty proposition.

PROSPERITY BY LEGISLATION

Barrons Weekly

In the rural credits bill, so hastily passed by Congress and approved by the President, the farmers certainly got all their spokesmen asked for them. Time alone will demonstrate whether this is the road that leads to prosperity. Give the law a fair trial, but at the same time remember that legislation never yet planted a hill of beans nor carried so much as a dozen eggs to market. The farmer's future rests with himself. The plow is mightier than legislation help.

The farmers' reverses of two and three years ago were not peculiar to this country, but were world-wide, produced by economic causes following the wake of the war. The farmers and livestock men of Argentina, for instance suffered far more severely than those of the United States. It was these economic causes, not lack of credit, that caused world-wide price deflation.

Farmers now are at a disadvantage because the exchange value of their products is not equal to that of manufactured goods. The great burden of taxation and the enormous increase in wages are the principal cause for this condition that makes a dollar's worth of farm products worth about 70 cents when exchanged for manufactured goods or transportation. Another difficulty is a lack of world markets for the surplus production.

Price-fixing of products and stabilising of grain values by law as was proposed in the last Congress will not make credit. Nor will the issuing of bonds and debentures in order to discount agricultural paper take the place of that which credit really is. Aside from the personal factor, credit rests upon production and savings. A farmer's credit rests upon his producing all that will be consumed and marketing it to the best advantage.

Marketing is a business separate from farm production; its machinery is complicated and the risks are large. Yet the farmer must improve his credit standing through marketing as well as producing. A well organized and efficiently managed co-operative association provides the best means for this, but only when it is well organized and efficiently managed. The paper of such organizations is discountable in federal reserve banks. Here is the way to establish credit, by production and saving. But to attempt to get it by legislation is equal to trying to get over a fence by pulling on one's boot straps.

DEPENDABLE INVESTMENTS

The bonds of Canadian Provinces, Canadian municipalities, and of important, well-established industries, form highly desirable and dependable investments.

A few, representative of our list, are given below:

Security	Due	Yield
ALBERTA 5%	1942*	5.25%
BRITISH COLUMBIA 6%	1941	5.35%
NEW BRUNSWICK 6%	1930	5.25%
ONTARIO H.E.P. Com. 6%	1941	5.25%
ONTARIO H.E.P. Com. 4%	1957*	5.12%
ONTARIO 5½%	1942	5.15%
ONTARIO 6%	1943	5.20%
QUEBEC 5½%	1936	5.20%
HAMILTON 5½%	1925-32	5.20%
OTTAWA 6%	1934*	5.30%
REGINA 5½%	1942	5.60%
TORONTO 6%	1941*	5.25%
BROCKVILLE 5½%	1925-32	5.25%
TRENTON 5½%	1924-43	5.35%
ST. MAURICE POWER CO., Ltd., 6½%	1953*	6.30%
OGILVY REALTY CORP'N 6½%	1952*	6.43%
HOWARD SMITH PAPER MILLS, Ltd. 7%	1941*	6.80%

*Payable in New York as well as in Canada.

Full particulars of any of the above on request.

A. E. AMES & CO.

Investment Securities.

UNION BANK BLDG. . . . TORONTO
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74 BROADWAY . . . . . NEW YORK
BELMONT HOUSE . VICTORIA, B.C.
HARRIS TRUST BLDG. . . CHICAGO

Established 1889.

Members of Toronto and Montreal Stock Exchanges

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

BELL TELEPHONE

Subscriber, Campbellton.—Would you advise investing in Bell Telephone?

Bell Telephone may be regarded as a business man's investment of the better class. The 8% dividend has been steadily maintained for over twenty years and this from the investment standpoint should be more important than the fluctuation in price. In 1912 the stock sold as high as 165, and it was little affected in the war years. In 1921 it dropped as low as 101 and since then has recovered to around 120.

CANADA BREAD

R. S. E., Ontario.—I have been following Canada Bread (com.) since January with the idea of writing an essay on it. I would like to know the causes for its continued rise last month up to March 23 and for its recent drop. Also could you predict the price on April 30?

We can hardly fulfil all the tasks you set out for us, such as predicting what the market price of Canada Bread will be on the last of the month. As for the ups and downs the stock has had, these movements have been in keeping with the general market. There are opinions held that the rise in March was due to the belief in some quarters that a dividend declaration might be made on the common stock. When this did not materialize there was some selling. You have, perhaps, noticed that Stewart McNair and Co. have sent out a circular to clients dealing with this issue. This expressed the opinion that the company is in a position to pay dividends on the common stock and gives voice to rumors on the street that within the very near future the directors will take dividend action.

YOU will profit in your Investment affairs and your own business by reading it.

"INVESTMENT ITEMS" is a complete review of Canadian investment and business conditions, and commodity markets, written by leading authorities on each subject.

THIS month's issue contains a striking article on the Canadian Sulphite Pulp Industry. Every owner of pulp and paper securities should read it.

SEND your name and address now and we will forward you the latest issue. Write now—

Royal Securities Corporation, Limited

164 St. James Street
MONTREAL

WHOLESALE INSURANCE

Enquirer, Toronto.—We have received a letter from the Aetna Life Insurance Company asking us to consider placing wholesale insurance on our staff. How does this plan differ from Group Insurance?

The plan to which you refer is really an extension of group insurance. The latter is usually not placed on groups of less than fifty persons. The company you refer to are accepting risks on groups of from 10 to 50 employees. We understand the insurance is on the yearly, renewable term plan, and, on account of the smaller groups, the rate charged is slightly higher than that for group insurance. They accept up to $3000 on each life, but each one within the group must be insured for the same amount.

K. & S. TIRE

Reader, St. Jacobs.—Kindly let me know what your opinion is of the K. & S. Tire and Rubber Co. 7% preferred stock as an exchange for western property (farm lands). A customer has been offered $6,000 of the above stock in exchange for some land he has out west. Do you consider this stock as being a good buy at the present time?

We would suggest that the main points for consideration is the value of the preferred stock of the K. & S. Tire & Rubber Company in relation to the value of the farm lands proposed in the exchange. Current quotations for K. & S. stock are around 40 bid 43 ask. On this basis the $6,000 of stock would be worth about $2,500. This should be considered on the basis of a cash offer for the land.

As to the advisability of the exchange, you have an industrial preferred stock of a rather speculative character as compared with Western farm lands, the value of which are perhaps best known to the holder.

NEAR DANGER POINT

Speculator, N.S.—I am holding the following stocks on margin: I am $300 ahead and $1,000 ahead of my position in November when I was caught in the drop.

20 Canada Steamships P.	49½
2 Dominion Steel	74
30 Steel of Canada	77
15 British Empire Steel	27
25 Do., 1st Pfd.	72½
10 Wayagamak	60
10 Montreal Power	114½
4 Montreal Power	87
100 Hollinger	13.40

The market has been going up for a year and a half. Many brokers express the opinion that we are getting near the end of the movement. You must decide whether you would do better to take your profit now or run the chances of getting caught again as you did in November. The chances of a much greater profit, taking your list as a whole, are not large. Your mining issues may go higher. There is lots of labor for the mines in the North.

OTTAWA POWER

Reader, Fort William.—Would like your opinion of Ottawa Power common stock. I am holding some of this stock which I purchased at 91, but see that the market quotations for the past few days have been steadily dropping.

We do not feel that you need worry about your investment in Ottawa Power stock. You purchased it at a price at which it returns a very attractive yield. The company is competing with a publicly-owned enterprise that pays no taxes, and despite this earned about 9 per cent. on the common stock in both 1921 and 1922. The utilities in general are getting their operating costs down and Ottawa Power will probably be able to effect some further improvements in this respect.

The average investor who buys for income return does not bother too much about day to day market fluctuations. If the investment is well protected as to earnings and assets, he can rest easy. These factors are present to a good degree in Ottawa Light, Heat and Power.

A SPECULATIVE LIST

Reader, Western Canada.—I would like your opinion on Canada Flour Mills preferred 8% with bonus of common. I have 10 shares preferred, 30 shares common. Do you consider the company sound? Are there prospects of a common dividend? Is the stock likely to be listed? Would you advise holding or selling? What procedure is best to sell?

Your Canada Flour Mills stock is an unlisted stock and you may have trouble in selling it to advantage. Also competition among the milling companies is keen and this may detract from the popularity of such issues. Canada Flour is an old established company and is sound. We have not heard of any proposals to pay dividends on the common nor of any move to list the stock. Marketability is an important feature to consider when buying.

You say you are sick and may go away. This is just one more reason why you should not speculate. To engage in the latter successfully requires constant attention. There has been quite a lot of speculation going on in French francs. It is a guess as to which way they'll move next. Any reputable broker will sell your unlisted stocks providing he can find a market.

DOME

Reader, Brampton.—Is Dome a good buy at present prices and to what extent do you estimate it should improve when placed on a new demand basis? Are any of the other gold stocks more attractive apart from their speculative possibilities?

Dome is considered a buy at present prices. Brokers consider that the stock will sell higher. In July the new stock will be issued and the proposal is to pay $1 per share annually. This would be $4 on the present price of $42. There are all kinds of predictions as to where the stock is going to, some of the most enthusiastic ones getting it up to $60. However, in this regard it should be remembered that the par value of the present stock is really $9, one dollar having been returned. Recent earnings are said to have been about 10 per cent. above the amount required to pay $1 per share when the new non-par stock is issued. Operations are about halted now owing to the power situation. The last part of your question is a little difficult to answer. You would do well to size up the various producers, taking into consideration their plans for the future. These we recently outlined at some length and we enclose a clipping. The consensus of opinion is that any of the gold leaders will make you money at the present market price.

INVESTING $2,000

Reader, New Brunswick.—I have a couple of thousand dollars to invest at present but thought it might be well to wait until prices of stocks had a decline or would you advise investing at present prices. How would it do to invest one thousand in mining stocks and if so what would you recommend?

As to the investment of a couple of thousand dollars at the present time we would not advise you to consider mining stocks unless you are in a position to speculate. The dividend paying mine stocks are, of course, the more stable in this class but all mining securities are in their very nature more or less of a gamble. There is no doubt of Canada's great mineral resources and no doubt also that there will be big profits for many people in the development of these resources. But in mining, as in drilling for oil, there is such an element of chance that speculation will always be present. There has been a steady advance in mining stock prices this spring. Technically speaking the market would seem to be in a position for something of a reaction during the early summer, but there should be little doubt but that the stock representing valuable properties will in spite of fluctuations move generally to higher levels. In the promotion proposition it is largely a case of knowing the men to insure two things. First, that the money invested will be used in actual development, and second, that the investor will secure a square deal in the event of important discoveries being made.

ARGONAUT GOLD

Subscriber, Spencerville.—Kindly favor me with your opinion of Argonaut Gold, Ltd.

Argonaut will start its mill soon. The capital is being increased by a million shares to take in new property. It is a fair speculation.

CHAPUT HUGHES

Reader, Spencerville.—Would you be good enough to favor me with your opinion of Chaput Hughes Gold Mines.

Chaput Hughes Gold Mines owns property in Kirkland Lake. It is not an effort that we can recommend.

EQUITABLE MUTUAL FIRE

Reader, Maniwaki.—Would you kindly give me your opinion as to the responsibility of the Equitable Mutual Fire Insurance Company of Montreal. It appears they collect the first premium in cash and take a note covering premium in full for four remaining years of the policy they issue, supposed to be payable so much per annum.

The Equitable Mutual Fire Insurance Company has been licensed to do business in the Province of Quebec since June, 1901. It was formerly a purely mutual company, but since May, 1919, it has been doing a small amount of business on a cash basis.

On December 31st. 1921, it had admitted assets of $759.635, consisting largely of premium notes. As these are considered good assets, the company appears to be in a good position. In 1921 the company's loss ratio was 38.5 per cent., an indication of a fairly careful selection of risks.

We would consider it a suitable company to place insurance with, provided you remember that it is on a mutual basis, and the premium notes constitute a first lien on the property.

B. E. STEEL

F. R., Montreal.—Do you consider British Empire Steel 1st preferred nearly as much advantageous for speculative investment as Dominion Iron & Steel?

Undoubtedly you realize that the 7 per cent. preferred shares of Dominion Iron & Foundry Steel Corp. are selling at about 7 points above the first preferred stock of British Empire Steel Corp. This indicates that the average investor rates his holdings of Dominion Iron & Steel at somewhat higher than the British Empire Steel preferred although the shares are transferrable share for share into the stock of the Steel Corporation.

These circumstances make it difficult to compare the two securities for one who is considering purchase for speculative purposes. Undoubtedly at equal prices the stock of the Dominion Iron & Steel would be profitable because it is redeemable at $115 and moreover, should anything occur to make the other security the better of the two, the Dominion Iron & Steel shareholder could immediately exchange his stock. But when the advantage of this has been discounted by a difference of 7 points in the market price, there really remains no ground for comparison.

RIORDON PULP

F. W., Saskatchewan.—What is your opinion of an investment in Riordon Pulp and Paper Company? Would you consider it a good buying proposition or entirely speculative at the present time?

The future of Riordon is so clouded that we would hesitate to term it a speculative investment. Rather is it a gamble. It is hard to see how much can come to the holders of common stock or preferred either in the financial reorganization that must come. It has been suggested that the only rights these issues will carry will be the right to buy shares of some other issue that will be required to finance the company. The future is too uncertain. Since your letter was written, there has been a little flurry in Riordon. The stock moved up to eight or nine. You doubtless saw the rush to sell. The stock dropped back.

The following figures will show you where your preferred would rank:

Mortg. bonds, Deb.	$11,746,000
Mortg. on prop.	3,020,000
Current Liab.	2,761,000
Def. Liab.	8,791,000
1st. pref. stock	10,000,000
2nd. pref. stock	10,000,000
Common	27,000,000

The chance makes it a pretty wild gamble.

CANADIAN U. S. OIL

W. M., British Columbia.—Can you give me any information regarding the Canadian U. S. Oil & Refining Corporation?

The Canadian U. S. Oil and Refining Co. we consider to be one of the many unattractive ventures that have been unloaded in Canada. Great tales of profits, etc., are held out in the prospectus. It is claimed in some sections that dividends of 24% were paid in 1921. We have never been able to get this verified, though we have tried. If the earnings were coming as fast as it is stated, they would not have to employ the present stock selling methods. Perhaps you have noted that the names of a couple of leading Canadians have been associated recently with this concern. It may help the concern's stock selling. It can hardly help the reputations of the men in question. The stock is being sold here in the east at $1.50. A quotation to hand from Denver shows sales at $1.

Recently we asked an inquirer who was thinking of taking a gamble in an oil venture, as to why he should harken to such a lure and send his cash out of the country when our mines offered just as good a gamble.

We might ask you the same question. Yours is a province that is destined to be a great producer of mineral wealth. The surface is only scratched. Being right on the ground you ought to be able to get a line on some proposition ear-marked as a mining prospect of promise in which you would at least get a run for your money and have a chance to get a substantial return for the risk taken. I know that there are many B.C. mining ventures that need your money.

We would rather take a flier in such a proposition than in the oil venture you ask about.

WABASSO COTTON

R. R. H., Nova Scotia.—Kindly give me the investment features of Wabasso Cotton stock and bonds.

Wabasso Cotton in its last annual statement showed earnings of $396,-014 as compared with $435,912 in 1921. There was of course a heavy loss on inventories as was common with all textile companies.

The company's capitalization consists of 35,000 shares of no par value and $1,000,000 first mortgage 6% bonds, due 1947. Some of the bonds have been redeemed and there is outstanding now $871,500. Each June $10,000 are redeemed at 105. There is a provision that all may be redeemed at any time as a whole at $110. The company is now paying $4 per share on the stock and has been since Jan. 3, 1920. At the present price 76½ was the last sale, this will return better than 10 per cent. The earnings per share in 1922 were $6.96 and 1921 $8.09. The working capital given in the last statement showed current assets over liabilities of $985,395. In other words the current liabilities were one-third the current assets. Since the issuance of the last annual report, however, there has been an issue of $750,000 20 year 7% bonds, which would stand ahead of the stock. The funds so raised were to take care of plant expansion. The delivery of the machinery will take place this spring.

Wabasso Cotton's interest on investments was $45,716 in 1920; $49,215 in 1921 and $48,464 in 1922. The company controls the following: St. Maurice Cotton Mills Ltd., Three Rivers, Que.; capital $1,250,000; bonds outstanding $1,434,000; Shawinigan Cotton Co., Three Rivers, Que.; capital $1,000,000; bonds outstanding $987,500; Shawinigan Knitting Co., Shawinigan Falls; capital $50,000; Oxford Knitting Co., Oxford, N.S.; $50,000.

CITY DAIRY

F. J., Toronto.—I beg to ask your opinion of City Dairy common shares. I understand the company's capitalization is made up as follows: 7% preferred $700,000, common $565,000. The profits for the year 1922 were $200,746 plus $24,691 interest on investments, $225,437. Deducting $49,000 being the dividend on preferred stock leaves a balance of $176,437 applicable to the common or 31%. Since the company handles a stable commodity which there is always a market for together with the fact that at present prices the milk business is not over profitable for the other milk distributors owing to the fact that the cost to them of distribution is higher having a smaller custom, that City Dairy is likely to do even better owing to having their plants in first class condition (which has apparently been charged operating expenses) and taking into consideration that the company own as at December, 1922, $203,-875 in government bonds. Do you think this stock is about to sell at much higher levels? Do you think considering the company's position that there is any foundation to the rumor that the directors will declare a cash bonus at the next meeting? Do you not think that comparing City Dairy with say Penmans, Ltd., possible earning power, which company made 14% applicable to the common in 1922, and is not so certain a business now selling at 148 that City Dairy is worth above present market of $145?

Experience indicates that it is the business of the stock exchange to discount the prospect for profits of an industrial company. Dividends are paid out of profits and the price of a stock on the exchange reflects dividends. Certainly on the basis of earnings it would seem that the shareholders are entitled to look for a dividend which would warrant a higher market price than that now prevailing. The company is very ably managed but its very record indicates that profits cannot be regarded as stable. Under favorable conditions such as you outline they might easily be expected to increase but on the other hand, looking at the company's record we find that in 1916 the net profits dropped to $18,018, or less than half what was actually paid out in preferred dividends. The following figures of net profits may interest you: in 1915, $101,647; 1916, $18,018; 1917, $70,275; 1918, $112,023; 1919, $115,-390; 1920, $117,771; 1921, $195,980, and in 1922, $225,437.

All your questions can therefore be answered in the affirmative, providing profits are maintained at the present level or increased, but capable though the management is and encouraging as the prospects now seem, we believe that the company's own record indicates that the distribution of dairy products is an industry in which conditions cannot be regarded as stable when such factors as cost of production, cost of distribution and the buying power of the public must be taken into consideration.

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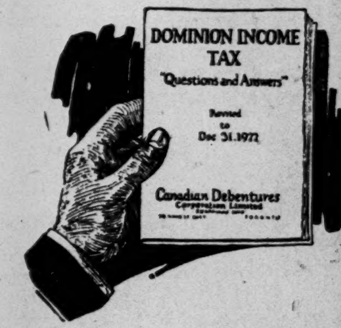

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NEWS AND VIEWS ABOUT BONDS

BORROWING COSTS BACK TO PRE-WAR LEVEL IN CANADA

Province of Quebec Issue Indicated the Improvement That Has Come About

From Our Own Correspondent.

MONTREAL.—The Province of Quebec bond issue set a new mark for recent Canadian borrowings and brought Canadian bond issues back to a pre-war basis. Not since the spring of 1914 have the provinces and municipalities of Canada been able to borrow at rates as low as to-day.

What the improvement of the past two years in interest rates means in the cost of public improvements may easily be calculated. Figuring on the average twenty-year bond, the difference between the 6¾ per cent. money of November, 1920, and the 5¼ per cent. money of the present time is just about 12½ per cent. of the cost of financing any improvement. That means that labor and bricks and cement and steel have not been alone in deflating; capital too has dropped in price and borrowing provinces and municipalities benefit.

Capital Is To Be Had

Much American capital is available for investment in Canada and during 1922 more came to this country than ever before. During the year 1922 Canadian borrowings totalled $507,000,000 in the way of bond issues and $240,000,000 of these bonds, or almost one-half, went to United States markets.

There is British capital also to be had and exchange rates do not cut a large figure in preventing the capital from coming to Canada. But the capital is not coming, one reason being that Canadians are too busy howling about their troubles to set about correcting them and creating a situation where national growth can be facilitated and British or American capital be used to good advantage.

With the close approach to 5 per cent. borrowing for provinces and cities, the high cost of financing public works disappears. Of course the high cost of financing will never disappear where proper sinking fund methods are not adopted. The other day one of the larger Canadian cities made an issue of about a million and a half dollars. A large part of the issue was to refund debentures that had been issued 50 years ago—in 1873—to pay for the cost of a pavement. Now a pavement lasts a long time; possibly fifty years is a short life for a good pavement. But it is very bad municipal finance to pay interest for fifty years on bonds issued to pay for a pavement and then not have made any arrangements to pay off the bonds at the end of that time, with the result that new borrowing has to be resorted to and interest paid for another long term of years.

Such things hurt municipal credit; the damage was not very apparent in this case for the municipality is so old and so solid that its bonds always command a ready market and good price. Probably the taxpayers suffer more than the bondholders of the city. But it is a bad example for less stable communities to attempt to follow.

TAX RATES FOR 1923

Fort William	35	mills
Esquimalt, B.C.	23½	mills
Revelstoke, B.C.	35½	mills
Brantford	39	mills
Niagara Falls	39	mills
Chatham	33	mills
Gananoque	45	mills
Ingersoll	40	mills

MARCH BOND SALES

Canadian bond sales in March amounted to $23,609,657, as compared with $76,759,746 in February. Sales for the first three months of the year amounted to $138,259,565. The record is as follows:

Government	$
Provincial	7,125,000
Municipal	10,934,657
Corporation	5,550,000
Railway	
Total for March	$ 23,609,657
Year to Date	
January	$ 37,890,162
February	76,759,746
March	23,609,657
Total	$138,259,565

DRUMMOND COURT ISSUE NEXT WEEK

$2,000,000 of Bonds to Finance Erection of Large Montreal Apartment House Structure

From Our Own Correspondent.

MONTREAL.—A strong syndicate of about five Montreal and Toronto investment houses will offer next week an issue of first mortgage bonds covering the new Drummond Court Apartments being erected in Montreal by P. R. duTremblay and associates. The issue will likely be for $2,000,000 to consist of 6½% fifteen year bonds repayable by a sinking fund arrangement.

The interesting feature of the issue is that it will be a first mortgage not only on the new apartment house but also on the present Drummond Apartments to which it will be connected by a subterranean tunnel. This means that the present issue of bonds outstanding on Drummond Apartments will be retired at a premium.

The new apartment will bring the capacity of the two units—the old and the new—to about 200 apartments and will be completed by April, 1924, according to present plans.

Quebec Issues Bonds Free From Estate Tax

From Our Own Correspondent.

MONTREAL.—Among bond men there is some question of the wisdom of the policy of the government of Quebec in issuing bonds free from succession duties. The last issue of $5,000,000 was issued exempt from inheritance taxes. It is thought by a number of financial men that the province would be ahead in the end if it bought up many of the similar issues now outstanding rather than creating new issues. Perhaps one factor in the high price received for this last issue was the "S.D.F." feature, but the temporary profit is a doubtful advantage.

Ontario estimates that it lost over $400,000 on succession duty free bonds last year and is buying in all it can get. Quebec, on the other hand, is issuing new bonds with the S.D.F. feature. It is not the first time these two provinces have shown radically different policies in regard to financial matters.

Bay Sulphite Company An Independent Project

Very satisfactory reports are made as to the reception given the issue of $3,000,000 of bonds of the Bay Sulphite Company by the syndicate composed of Wood, Gundy & Co.; Newman, Sweezey & Co.; Hanson Brothers; and Aemilius Jarvis & Co.

While there is an association between certain interests behind the new project and other successful paper and power enterprises in the East, as reported in the FINANCIAL POST last week, the Bay Sulphite company is itself an independent undertaking, and its finances are not involved with the other companies mentioned. The president is Sir Frederick Becker, of London, England, head of the Becker enterprises. There are three vice-presidents, Victor E. Mitchell, K.C., of Montreal; Arthur C. Hastings of New York, and G. F. Hall Caine of London, England. Two directors are John W. Ross, of Montreal, and J. H. Gundy, of Toronto.

EQUIPMENT NOTES OFFERED

The Royal Securities Corporation are offering an issue of $100,000, equipment trust notes of the Canadian Salt Equipment Company, Limited, bearing 6 per cent. interest. This company was organized recently as a subsidiary of the Canadian Salt Company to purchase equipment, which it rents to the latter company. The amount required in any year to pay the interest and maturing principal of the trust notes does not exceed $16,000.

The rentals payable to the equipment company are an operating charge and claim on the earnings of Canadian Salt Company. Consequently they must be paid in preference to the fixed charges of the company, including bond interest.

RAPID GROWTH IN DEBTS OF MANY MUNICIPALITIES

Obligations Have Increased More Rapidly Than Population

An article in the Peterboro Examiner covering the history of the city's debt brings to attention a condition which is common in all too many Canadian municipalities and might well cause much concern to thoughtful citizens. The debt of Peterboro was consolidated and a City Trust Commission established in 1861. At that date the debt was $120,000 and the population four or five thousand. While the latter has increased to 22,000, the former now totals no less than $3,765,900.

A similar increase in the debt of many municipalities is revealed on investigation. The mushroom growth of the boom in Western Canada resulted in inflated assessments and unwise improvements in the public works departments. This is reflected in the financial difficulties in which municipalities find themselves and the generally high taxes levied. Ontario municipalities have been singularly fortunate and defaults in municipal debts are unknown. However, many towns and cities are too heavily loaded with debt. Their councils are faced year by year with the burdensome task of carrying on the public business and keeping down the tax rate to former levels.

Much of the debt now outstanding was created on the understanding that sinking funds would be built up to redeem it at maturity. Some municipalities neglected to maintain these as agreed while in other cases mismanagement of the money comprising them was rampant

Fortunately for municipal finance the policy of issuing bonds on the serial plan was introduced and this has been widely adopted, as its advantages are evident. In the first place, it avoids a double accounting and does away with the necessity of municipalities holding large amounts of securities. Moreover it insures that a sufficient sum will be collected each year to retire a portion of the debt, as some of the bonds mature and must be paid off when due. The payment cannot be avoided and consequently is not passed over lightly. As a result, the process of refunding debts at maturity may be largely avoided.

Woods Mfg. Will Raise $1,000,000 Selling Bonds

From Our Own Correspondent.

MONTREAL.—Of the $2,000,000 of new bonds of Woods Manufacturing Company that the shareholders are asked to approve on April 17, only one million dollars will be offered at the present time. The proceeds will go to wipe out the existing bond issue of about $315,000 and the remainder will provide working capital for the company. Much money has been spent on permanent improvements out of working capital.

The issue will be one of 6 per cent. twenty-year bonds repayable by a sinking fund. The present issue is one of serial bonds, which means rather heavy fixed charges for the amount outstanding.

Algoma Steel Pays Coupons of April 1st

From Our Own Correspondent.

MONTREAL.—Bondholders of Algoma Steel who were a little doubtful about their April 1 coupons were gratified this week when payment of these was met in proper course. The bonds, which sold at the low of about 29 during January, are now selling at around 49, the improved conditions in the steel industry being the chief reason, together with rumours that new interests might come into the Lake Superior Corporation.

The activities of the Ontario Government in the investigation of the iron ore industry may lead to developments that will benefit this company, especially if they result in an increase of traffic on the Algoma Central Railroad, sister company of the Algoma Steel and subsidiary of the Lake Superior Corporation.

Illinois Power Issue Offered in Canada

MONTREAL.—There were two Canadian bond houses in the syndicate offering $30,000,000 Illinois Power and Light Corporation 6-per-cent. 30-year first-mortgage bonds. These bonds are issued in connection with the merger of the Illinois Traction and the other utility corporations in Illinois, described in THE POST some weeks ago.

Nesbitt Thomson and Company and Harris, Forbes and Company offered the bonds in Canada to yield 6.10% New York funds.

BOND MOVEMENTS OF THE WEEK

Week Ending April 3rd.

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range 1923 High	Low	Latest Ask	Price Bid	Week High	End Low
Asbestos	5	1942	6.02	100	76	88¾	87½	88	—	88¼	—
Canada Bread	6	1941	6.00	99	88½	100	96	100	99	100	—
Can. Cement	6	1929	5.78	100½	94	101⅓	100	—	100½	101¼	—
Dom. Coal	5	1940	5.52	98¼	92	98	92	94¾	93½	94	—
Montreal Trams	5	1941	5.77	93½	91½	93½	92	—	93	92¾	—
Montreal Trams	5	1941	5.77	83½	87½	92	89¼	91⅛	90¼	91⅛	—
Penman's	5	1926	6.10	94¾	90	96	93¾	—	96	96	—
Quebec Rly	5	1939	7.58	87¼	63½	78	69	78	77	76½	75½
Steel of Canada	6	1940	5.90	100¾	97	101¼	99	—	101	101	99
Wayagamack	6	1951	7.23	88¾	71¾	85	80½	85½	85	85	—
War Loan	5	1925	4.69	96.30	96.10	100.80	99.10	.....	100.85	100.80	100.60
Do.,	5	1931	4.76	99.90	96.25	101.80	99.80	.....	101.60	101.65	101.25
Do.,	5	1937	4.72	101.50	99.50	103.30	101.25	103.10	102.90	103.00	.....
Victory Loan	5½	1923	4.83	100.70	98.75	100.95	100.25	100.65	100.55	100.65	100.40
Do.,	5½	1924	5.02	100.75	98.00	101.40	100.25	101.00	100.90	100.85	100.80
Do.,	5½	1927	4.74	102.70	99.75	103.40	102.35	.....	103.25	103.40	103.15
Do.,	5½	1933	4.81	104.35	101.25	106.70	104.40	106.10	105.80	106.05	106.00
Do.,	5½	1934	5.18	101.45	98.80	103.90	101.30	102.90	102.80	103.00	102.65
Do.,	5½	1937	4.77	106.25	103.00	108.40	106.50	108.00	107.80	108.15	107.80
Do., Renewal	5½	1927	5.00	101.10	99.40	102.80	101.00	102.55	.....	102.25	.....
Do., Renewal	5½	1932	5.21	101.10	99.70	103.00	101.00	102.25	.....	102.15	.....

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St. John D.D. & Shipbuilding Co. Ltd. (Principal and interest paid by Dominion of Canada)	5½	July 5, 1954	103.83	5.25
Province of Ontario	6	May 2, 1936	107.69	5.20
Province of Ontario	5½	Dec. 1, 1942	104.33	5.15
Province of Alberta (Guaranteeing Lethbridge Irrigation Dist.)	6	May 1, 1951	107.91	5.45
Province of British Columbia	6	June 15, 1941	107.57	5.35
City of Toronto, Ont.	5	May 1, 1945	98.63	5.10
City of Calgary, Alta.	4½	July 1, 1942	85.46	5.75
City of Edmonton, Alta.	4½	July 1, 1931	91.37	5.80
City of Brandon, Man.	5½	Sept. 1, 1939	100.00	5.50

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Peterson Lake	Argonaut
Clifton	Columbus Kirk'd
Goldale	Hattie
Hunton	Keora
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CIVIC AND PROVINCIAL FINANCE

MANY BOND SALES BRING CLOSE BIDS; BIG QUEBEC ISSUE

Prices Remain Firm Though Canadians Weak in New York

The outstanding feature of the bond market during the week was the sale of bonds amounting to $5,000,000 by the Province of Quebec. The bonds, which bear interest at 5 per cent. and mature in 20 years, were sold to a local syndicate at 98.935, yielding 5.085 per cent. This is the highest price received by any Canadian province for some years. The highest price recorded for such issues for some time previous was that received by the Province of New Brunswick for its issue of $1,650,000, the latter part of January, the yield being 5.24 per cent.

As the Quebec bonds are free from succession duties in that province, some speculation arises as to how far this feature is responsible for the high price received. It must be remembered that the Quebec succession duties are not so heavy as in Ontario, where very large estates are concerned, but in the case of moderate sized estates they are high enough to induce the purchase of the duty free bonds.

That the market here is stronger than in New York is evidenced by the fact that the American tenderers were unable to bid high enough to secure the Quebec bonds. Moreover, a number of other issues were sold during the week, on which the bidding was close, nineteen bids being received for one municipal issue.

Victory bonds have receded slightly, but on the whole they show few signs of weakness. Buying orders are numerous, although no large sales have been recorded.

Large investors would do well to pay more attention to other markets, as there are times when distinct advantages may appear in places outside the country. Such possibilities may arise at any time. With the improving industrial conditions in the United States more money is required in business. This is being reflected in a tendency toward higher call rates on money, which in turn accounts for the weakness in bond prices. As these factors have not entered the Canadian field, their results are not operative and the strong demand for bonds continues. While any substantial drop in bond prices is not looked for, many dealers anticipate some reduction from the present levels.

The Quebec issue was for $5,000,000, bearing interest at 5 per cent. and maturing in 20 years. Alternative bids for Canadian and New York payment were called, the bid accepted being for Canadian payment. The bonds were awarded to a syndicate composed of McLeod, Young Weir & Co., Dominion Bank, Imperial Bank, at 98.935. The bids were:

Bonds Payable in Canada Only

McLeod, Young, Weir & Co., Ltd.; Gairdner, Clark & Co.; Dominion Bank; Imperial Bank	98.935
A. E. Ames & Co.; L. G. Beaubien & Co.; Ltd.; Wood, Gundy & Co.	98.413
Nesbitt, Thomson & Co.; A. Jarvis & Co.; Royal Securities Corporation; Canadian Bank of Commerce; C. H. Burgess & Co.; Macneill, Graham & Co.	97.63
Hanson Brothers, George Beausoliel & Co., Harris, Forbes & Co., Ltd.; Rene F. Leclerc, Inc.; National City Co., Ltd.	97.408
Dominion Securities Corporation, R. C. Matthews & Co., R. A. Daly & Co., United Financial Corporation	97.077

Bonds Payable in Canada and New York

Wood, Gundy & Co.	97.19
Dominion Securities Corporation, Ltd.; Dillon, Read & Co.	97.138
National City Company, Harris, Forbes & Co.,; Guarantee Company, of New York	96.409
Aemilius Jarvis & Co.; Brown Brothers & Co., White, Weld & Co.; Halsey, Stuart & Co.; Rene T. Leclerc, Inc.	96.051
Kerr, Flemming & Co.; Lee, Higginson & Co.; Graham, Parsons & Co.; Chicago, Blodgett & Co.	95.77
Nesbitt, Thomson & Co., Ltd.; The First National Bank, New York; Union Trust Company, of Pittsburgh; Kissel, Kinnicutt & Co., New York; Redmond & Company, New York; William H. Compton Co., New York; Stack & Braun, New York; Continental & Commercial National Bank, Chicago; First National Co., of Detroit; Eldredge & Company, New York; Edward Lowber Stokes & Co., Philadelphia,	95.372
McLeod, Young, Weir & Co., Ltd.; Equitable Trust Co., New York; Blair & Company, Inc.; Bankers' Trust Company, Wells-Dickey Co.,	94.773

GUELPH ISSUE

Several blocks city of Guelph bonds, aggregating $509,254, with interest rates ranging from 5 per cent. to 6 per cent., and the term of maturity from 10 to 30 years, have been awarded to Bain, Snowball & Co. at 98.407. At this price the city is paying, approximately, 5.27 per cent. for its money.

Bids were as follows:

Bain, Snowball & Co.	98.407
Wood, Gundy & Co.	98.397
Murray & Co.	98.147
Dyment, Anderson & Co., Dominion Bank,	98.039
Municipal Bankers' Corporation	97.976
A. Jarvis & Co.	97.911
A. E. Ames & Co.	97.900
Gairdner, Clarke & Co., McLeod, Young & Weir	97.873
R. C. Matthews & Co.	97.823
C. H. Burgess & Co.	97.780
Dominion Securities Corp.	97.617
National City Co.	97.470
Housser, Wood & Co.	96.994

CARLETON BONDS

The county of Carleton sold two blocks of bonds aggregating $205,000 in the local market at a cost of approximately, 5.34 per cent. The larger issue amounting to $175,000, bearing interest at 5½ per cent., repayable in 20 instalments, was awarded to Wood, Gundy & Co. at 101.448, and the smaller issue of $30,000, 5½ per cent. 5-instalment bonds was purchased by Houser, Wood & Co. at 100.03. Bids on the two issues were as follows:

	$175,000 issue	$30,000 issue
Wood, Gundy & Co.	101.448	99.689
A. Jarvis & Co.	101.43	99.76
R. A. Daly & Co.	101.39	99.85
Bird, Harris & Co.	100.71	100
Housser, Wood & Co.	100.613	100.03
Aird, McLeod & Co.	100.56	100
National City Co.	100.557	99.645

Bids for the Total Issue

R. C. Matthews & Co.	100.925
Gairdner, Clarke & Co.	100.835
McLeod, Young, Weir & Co.	100.83
Bell, Guinlock & Co.	100.80
Murray & Co.	100.59
C. H. Burgess & Co.	100.367
A. E. Ames & Co.	100.35
Dyment, Anderson & Co.	100.02
MacKay & MacKay	100
Macneill, Graham & Co.	99.87

GALT MAKES SALE

R. C. Matthews and Co., Limited, were the successful tenderers for $147,437.59 20 and 10-instalment 5½ per cent. debentures of the City of Galt. The cost basis to the municipality is approximately 5.34 per cent. Keen competition for the issue is shown by the 19 bids, the complete lits of which is as follows:

R. C. Matthews and Co., Ltd.	101.521
Aemilius Jarvis & Co., Ltd.	101.446
Wood, Gundy and Co., Ltd.	101.323
Macneill, Graham & Co.	101.28
Bain, Snowball & Co.	101.236
Dominion Securities Corp.	101.09
C. H. Burgess and Co.	100.94
Municipal Bankers	100.84
Housser, Wood & Co.	100.827
A. E. Ames & Co	100.82
Murray & Co.	100.79
Stewart, McNair, Reid & Co.	100.75
Bell, Gouinlock & Co.	100.71
McLeod, Young, Weir & Co.	100.67
National City Co.	100.49
R. A. Daly and Co.	100.459
Gairdner, Clarke & Co.	100.373
United Financial Corp.	100.29
MacKay and MacKay	99.00

WALKERVILLE DEBENTURES

The town of Walkerville debenture issue, amounting to $85,181, bearing interest at 5½ per cent., and repayable in 10 and 20 annual instalments, has been awarded to Gairdner, Clarke & Co. at 100.07, at a cost basis of 5.49 per cent.

The bids were:

Gairdner, Clarke & Co.	100.07
Dominion Securities Corp.	100.03
Wood, Gundy & Co.	99.787
A. D. Morrow & Co.	99.658
C. H. Burgess & Co.	99.36
R. C. Matthews & Co.	99.29
McLeod, Young, Weir & Co.	99.14
MacKay & Mackay	99.05
Housser, Wood & Co.	98.67
Municipal Bankers' Corp.	97.66

NORTH BAY ISSUE

Wood, Gundy & Co. submitted the high and accepted tender for an issue of $65,000 North Bay bonds, bearing interest at 5½ per cent. and repayable in thirty instalments. At the purchase price of at 99.69, the money is costing the municipality approximately 5.53 per cent.

The bids were:

Wood, Gundy & Co.	99.69
R. C. Matthews & Co.	99.31
C. H. Burgess & Co.	98.52
A. E. Ames & Co.	96.13

TRAFALGAR TOWNSHIP

The township of Trafalgar issue of $20,000 5½ per cent. 20-instalment bonds has been awarded to Wood, Gundy & Co. at 101.21, a cost basis of 5.35 per cent.

Wood, Gundy & Co.	101.21
Macneill, Graham & Co.	100.81
Dyment, Anderson & Co.	100.81
A. E. Ames & Co.	100.68
Harris, Forbes & Co.	100.427
C. H. Burgess & Co.	100.34
Bell, Gouinlock & Co.	100.27

An issue of the township of Teck was not awarded.

Aldermen Judged by Attendance at Meetings

The paths of aspiring politicians in the municipal field will not be strewn with roses if the policy followed by the City of Guelph spreads to other places. The man who gets elected to public bodies and then finds social and private business obligations require his absence from council and board meetings may find the following election day unpleasant.

For some time it has beeu the policy of City Clerk Leadlay to keep a record of the attendance at all the Guelph council and committee meetings. At the end of the year the total attendance is compiled and published in the local papers. It may be significant that the alderman whose attendance record was highest last year was honored with election to the mayor's chair for the present year.

A DEADLOCK OVER ST. JOHN BOND ISSUE

Commissioner Refuses Sanction After Deputation of Business Men is Heard

From Our Own Correspondent.

ST. JOHN.—The Hydro situation in St. John entered another phase when the Federal Light and Traction Company, new owners of the New Brunswick Power Company, who are threatening with competition by the government supply of power, submitted a fresh offer to the city. They offer among other things:

1.—Subject to the approval of the provincial Hydro commission (a) to assume the obligations of the city under its contract with the Hydro commission, or (b) to purchase energy from the city in such quantities as the city is required to take or pay for, thereby relieving the city from its financial obligations. If the foregoing proposal is acceptable to the city, the company would agree:

2.—To maintain a schedule of rates not higher than those effective January 1923.

To extend the street railway to Lily Lake.

To purchase immediately, not less than ten new street railway cars.

To furnish electrical energy for the operation of the street lighting system, at the rate offered by the civic commission, i.e., one and one-half cents per k. w. h.

Not content with the methods of the city commissioners in adjusting the dispute between the power company and the city, a delegation of manufacturers and business men waited on the city council. No announcement had been made of the intention of requesting a hearing at city hall, so the appearance of the delegation was a distinct surprise to the commissioners.

It was pointed out that the city council had formed a commission, to represent the city in the matter of distribution of the hydro electric current from the provincial station at Musquash, and that this body had started to build a competitive system. This was denounced as improper. It was unfair to the power company and to the taxpayers of the city as well. There was not room for two systems in St. John. Following the appearance of the delegation, Commissioner Thornton refused to vote in favor of a bond issue to buy transformers and copper wire and as unanimity is imperative on all bond issues, the motion to issue the bonds was defeated. There is now a deadlock.

No Sales Tax on Goods Exported From Canada

From Our Own Correspondent.

MONTREAL.—Many Canadian exporters have been adding the sales tax to the invoices of the goods they export. The Department of Customs and Excise points out that this is not necessary, that excise taxes are not payable on goods exported. There is also provision for drawback of taxes paid on materials used wrought into or attached to articles exported.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen. Mtge. 6's 1940	96½	96¾
Algoma Steel 5's 1962	48	49
Amer. Sales Book 6's 1927	98	..
Ash. Hardware 5 p.c. 1928	89	..
Brompton P. & P. 7% 1941	108	..
Canada Salt 7's 1941	101	..
Wm. Davies 6's 1926	104	..
Dom. Iron Steel 5's 1939	81	82
Dunlop Tire 6's 1927	97½	..
Dom. Sewer Pipe, 6's 1927	90½	..
Dom. Mfg. 6's 1927	82	87
Eastern Car 6's 1952	93½	..
Gord. Iron & Fare 6's 1927	..	40
Harris Abattoir 6's 1928	99	..
H. Smith Paper 7% 1941	100	101
K. & S. Tire 7's 1935	78	83
L. Superior Paper 6's 1941	103	..
Marcus Loew's 8% Notes	..	98
Mattagami Pulp 6's 1937	61	..
Mattigami Pulp 7% Deb.	35	36½
Morrow Screw 6's. 1931	88	..
Man. Power 7's 1941	100	101
Neilson's Wm. 6's 1933	96	..
N. S. Steel 6% Deb.	89	91
Stan. Clay Pro. 6% 1942	..	90
Western Power 5's 1949	86	88
Whalen Pulp 7% Deb. 1932	58	61
Burns P. 1st Mtge, 6's 1924	104½	..
Simpson Robt. 5's 1952	85	..

Tenders and By-Laws

TENDERS WANTED

April 7, Toronto Twp.—$40,000, 5½%, 30-year, school debentures. K. R. Kennedy, Clerk, Dixie.

April 11, Laval-sur-le-Lac, Que.—$20,000 debentures. Horace Gohier, Sec.-Treas., 30 St. James St., Montreal.

April 16, Lachine.—$12,000, 5½%, 30-year school bonds.

April 19, Regina.—$389,414, 5½%, 5 to 30-year debentures. Jno. E. Snowball, City Treasurer. (See announcement on page 16).

April 10, Alberta.—$3,000,000, 20-year 5% bonds. Alternative bids Canadian and American funds.

April 16, Megantic.—$125,000 debentures.

Quebec Catholic School Commission.—$700,000, 5 or 5½%, 20 or 37-year debentures.

DEBENTURE NOTES

St. Thomas.—The members of the gas committee of the Council have recommended that a new purifying set, estimated to cost $20,000, be installed at the Municipal Gas Works, and that application be made to the Ontario Municipal and Railway Board for permission to issue debentures to cover the cost.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
March 29	Guelph	Bain, Snowball & Co.	5, 5½, 6%	10, 30-yrs	$509,254	98.407	5.27
March 29	Walkerville	Gairdner, Clarke & Co.	5½%	10 & 20 ins.	85,181	100.07	5.49
March 29	Carleton County	Wood, Gundy & Co.	5½%	20-ins.	175,000	101.448	5.34
March 29	Carleton County	Housser, Wood & Co.	5½%	5-ins.	30,000	100.03	5.34
April 3	Trafalgar Twp.	Wood, Gundy & Co.	5½%	20-ins.	20,000	101.21	5.35
April 3	North Bay	Wood, Gundy & Co.	5½%	30-ins.	65,000	99.69	5.53
April 3	Galt	R. C. Matthews & Co.	5½%	10 & 20 ins.	147,437	101.521	5.34
		PROVINCIAL					
March 30	Quebec	McLeod, Young, Weir Syndicate	5 %	20-yrs.	5,000,000	98.935	5.085
		CORPORATION					
April 2	Stone Falls Lumber Co.	Burdick, Logan & Co. and Westminster Trust. (Sold in Canada.)	7 %		225,000		

We deal in—
Wayagamack 6's.. 1951
Windsor Hotel 6½'s ... 1943
St. Maurice Power 6½'s ... 1953
Montreal Public Service 5's ... 1942
Montreal Public Service 6½'s ... 1924
Montreal Tram Power 6½'s ... 1924
Manitoba Power 7's ... 1941
Also Bonds of Provinces and the larger Canadian Cities

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)
12

We offer
DOMINION STORES, LIMITED
8% Cumulative Class "A" Preferred Shares
Price: 100.00. Carrying a 25% Bonus of Common Stock.
This Company is the largest retail distributor of groceries in Canada, operating 190 stores. Plans call for over 50 new stores in 1923.
Sales in 1922 increased over 47 per cent. and earnings over 72 per cent.
Dividends paid regularly on preferred shares, and common now paying $1.00 per year.
Chain stores have proven an exceptionally profitable investment, and we strongly recommend these securities.
A special circular we have prepared will be mailed upon request.

HOUSSER WOOD & CO.
INVESTMENT BANKERS
10-12 KING ST. E. TORONTO

WE WILL BUY

400 Loew's London Common.
300 Loew's London Pref.
150 Loew's Buffalo Com.
200 Loew's Buffalo Pref.
100 English Electric Pref.
100 Durant Motors.
50 L. R. Steel Units.
300 K. & S. Tire Com.
200 Imperial Steel Corp. Com., $5.53.
1,000 Imperial Steel & Wire Co., 5½%, at 103½.
3,000 Howard Smith 7%.
2,000 Wayagamack 6%.

WE WILL SELL

400 Durant Motors.
30 Hamilton Theatres Pref.
150 Marconi of Canada.
2,000 K. & S. Tire 7% Bonds.
1,000 Imperial Steel Corp. 8% Gold Bonds.
200 Imperial Steel Corp. Com.
200 L. R. Steel Units.

Write and list your Stocks and Bonds with us.
Victory, Hydro and Municipal Bonds Bought and Sold.

CONTINENTAL BOND CO.
Limited
302 BAY STREET TORONTO
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International Milling, Brandram-Henderson, Preferred
Bought—Sold—Quoted
BALFOUR, WHITE & CO.
Limited
Investment Bankers,
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BURNETT, PORTEOUS & CO.
STOCK & BOND BROKERS.
MEMBERS MONTREAL STOCK EXCHANGE
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USE TIGER LEAK PROOF WOVEN CORD TIRES
Guaranteed for one year. Prices and particulars forwarded to you by request.
Tiger Tire & Rubber Co. Ltd.
42-44 Adelaide St. W., Toronto.

World-Wide Banking

Do you engage in Foreign Trade? Then this Bank can be of great assistance to you.

Through the co-operation of correspondent Banks in all foreign countries, we are enabled to offer complete facilities for the prompt and accurate transaction of business the world over.

Let us furnish you with particulars regarding any foreign markets you are interested in. 340

IMPERIAL BANK OF CANADA

OVER 200 BRANCHES IN DOMINION OF CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

The Leading Life Company of the Dominion

Assurances in Force - $630,000,000
Assets - - - $170,000,000

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

1922 RECORD YEAR FOR THE MUTUAL OF CANADA 1922

Favorable mortality, decreased expense rate, and a high interest rate on investments combined last year to produce surplus earnings of
$3,040,273.98

A result unprecedented. After providing for all liabilities on a reserve basis higher than called for by the statutes and after putting aside a special investment reserve of $611,776.34, there remains a general surplus fund of
$6,603,718.60

Every dollar of which is the property of the policyholders and will be used for their exclusive benefit.

Assets $53,605,630. December 31st, 1922. Assurances $246,486,654.

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO - - ONTARIO

The Independent Order of Foresters
Organized 1874

TOTAL BENEFITS
Paid to Members and their Beneficiaries
$78,000,000.00

Policies Issued from $500 to $5,00

G. E. BAILEY, Secretary; W. H. HUNTER, President; G. R. COTTRELLE, Treasurer

SQUARE DEAL

Our "Square Deal" Contract will appeal to you with compelling force—one contract only—no middlemen—new and saleable "Coupon Savings" Policies. For particulars of the "Square Deal" Contract and available Territory, communicate with the Managing Director.

The NORTHERN LIFE ASSURANCE CO.
Home Office London, Canada

A BRITISH COMPANY
UNION INSURANCE SOCIETY OF CANTON
LIMITED
ESTABLISHED 1835
Fire - Automobile - Marine Insurance
TOTAL ASSETS OVER $40.000,000.00.
Head Office for Canada - 36 Toronto St., Toronto
C. R. DRAYTON, Manager for Canada

They are easy on your throat

10 NOW 15¢—20 NOW 30¢

116

PUBLIC OWNERSHIP AND PASSES

Barron's Weekly

Lawlessness in any form is deplorable, and the Italian Fascisti may well have been the choice of two evils. But the narration in cold blood of the facts found in the government-owned and operated railways will win Signor Mussolini's administration the world's sympathy. The reorganization of the railways by royal warrant has been proceeding since the beginning of the year. The working force had been communized and socialized, and the theory of business administration by debating societies was carried on to an extent which readers will find difficult to credit. There was actually a "Railway Parliament" of 700 members, all of whom had permanent free passes and any one of whom could leave his work when and where he chose under pretext of "Parlimentary" duties.

But what is to be noted is the premium on inefficiency and plain shirking. It is justly considered a triumph that the daily cases of absence through "sickness" have been reduced to between 30,000 and 40,000, or actually 20 per cent. of the Italian railway staff. The administrator believes that he will get this down to one per cent. In 1920 the "Railway Parliament," in order to insure that no employee could by better work render himself more valuable than any other employee, abolished the bonus to engine drivers and firemen for saving fuel, with similar rewards to other employees. This wise expenditure has been reintroduced. In the year 1922 alone two million free railway tickets, representing 50 million fire in actual cash, were distributed among politicians and their friends. However appalling the plain facts may sound, this is a potentiality of government ownership and railroad operation anywhere. The Swiss are said to have maintained some shreds of honesty, but on their government-owned roads they have 17 officials of the rank and salary of a manager where privately-owned roads in France have one.

INSURANCE FOR BUYER AND SELLER

STRONG POSITION MAINTAINED BY LIFE COMPANIES

Canadian Companies Meet With Success in Foreign Fields

That the total life insurance in force in Canada at the end of 1922 amounted to $3,172,873,312 is established by the abstract of the Dominion Department of Insurance published elsewhere in this issue. This is an increase of nearly two and a half million for the year. The amount of new business issued during the year was $509,733,030, practically five million less than that issued in the previous year. The premium income totalled $106,886,179 for the year, an increase of eight millions over that for 1921. The total claims were $26,854,581, an increase of nearly three millions over those experienced in 1921. In spite of the slight decrease in the amount of new business, and the heavy lapses recorded, the companies' assets and business in force continue to grow.

Of the total business in force, $2,013,500,068 is held by Canadian companies, $93,793,147 by British companies, and the balance by foreign (American) companies. The amount issued in Canada during the year by the Canadian companies totalled $315,035,874, by the British companies $23,535,310 and by the foreign companies $171,161,846.

The enterprise of the companies in cultivating the foreign business is indicated by the total of $573,648,291 business in force outside of Canada at the end of 1922. The new insurance issued outside Canada by the Canadian companies during the year amounted to $94,346,277 and the premium income totalled $26,393,611. While the Canadian companies wrote over 17½ million less business in Canada in 1922 than in 1921, they issued practically eight millions more business elsewhere in 1922 than in the previous year.

The reports show that, in spite of many difficulties due to the business depression, the companies have succeeded in maintaining a healthy condition, and avoided the heavy shrinkage of assets so noticeable in many lines of business.

MORTALITY RATE OF 1922 WAS LOW ONE

Deaths From Influenza and Pneumonia Offset by Other Noticeable Decreases

The past year has been a good one for life insurance companies from the standpoint of death losses in Canada and the United States. The figures for the entire year are not yet available but the experience for the first ten months of the year is shown in a table placed before the annual meeting of the Association of Life Insurance Presidents, in December. The table, which is given below, indicates also the diseases which show increased and decreased death rates respectively from the corresponding period in 1921.

The diseases showing any appreciable increase are influenza, pneumonia and measles, all of which are subject to wide fluctuations in any particular year. On the other hand a number of dangerous diseases such as typhoid and scarlet fever, diphtheria and meningitis, show gratifying decreases.

Cause of Death	Death Rte. Per 100,000	Per Cent. Decl.	Per Cent. Incr.
Typhoid fever	5.1	20.31	
Tuberculosis (all forms)	94.7	4.92	
Other respiratory diseases	11.6	17.73	
Puerperal state	12.6	6.67	
Scarlet fever	4.5	35.71	
Whooping cough	2.8	39.13	
Diphtheria	16.3	25.91	
Meningitis (all forms)	5.8	9.37	
Diarrhoea and enteritis	15.1	25.62	
Suicides	12.1	3.97	
Homicides	5.7	10.94	
External causes (excluding suicides, homicides and automobile accidents)	41.3	5.92	
Miscellaneous (all other diseases)	206.5	2.36	
Influenza	20.2		155.70
Cancer	69.6		.43
Cerebral hemmorhage	57.9		.52
Organic diseases of heart	116.2		7.00
Pneumonia (all forms)	70.3		14.68
Bright's disease	65.5		2.50
Automobile accidents and injuries	12.7		4.10
Measles	4.4		15.79
Total all causes	831.7		

Electrical Machinery Insurance During 1922

Electrical machinery written in the Dominion during 1922 shows a premium income slightly under three times the losses.

The figures:

	Premium $	Losses $
Boiler Inspection	2,333	20
Maryland Casualty	118	10
Royal Indemnity	41,884	13,855
Travelers Indemnity	25,946	11,934
Totals	70,281	25,819

TORNADO LOSSES ONE QUARTER PREMIUMS PAID

The tornado insurance losses as reported by the Dominion Insurance Department hardly tell a true story of the 1922 Dominion losses. For instance, the storm of July, 1922, took a tremendous toll on the prairies. The heavy losers were the provincial companies and the heaviest loser was the Farmers Mutual. Premiums for 1922 were $153,787 and losses paid, $38,058.

Boiler Insurance Shows Decline: The Losses Also

Steam boiler insurance written in Canada in 1922 was materially below 1921, the premium decline being $41,000 to $300,000. Losses were much higher, $10,849 as compared with $32,672 in 1921. Two companies escaped losses entirely. The figures:

	Prem. $	Losses $
Boiler Inspection	146,887	4,580
Employers' Liability	9,177	None
Fidelity and Casualty	20,267	—588
General Accid'nt of Can.	42,903	3,285
Hartford Steam Boiler	1,200	None
Maryland Casualty	19,139	285
Royal Indemnity	1,055	1,048
Travelers Indemnity	59,498	2,239
Totals	300,126	10,849

NOT A ROBBERY LOSS PAID

Not an insurance claim was paid for robbery insurance in Canada during 1922, though premiums totalling $18,572 were paid, or $6,000 above the previous year. Three companies handled the business, Dominion of Canada Guarantee, Employers' Liability and General Accident Co. of Canada.

Compared with 1921, the premium total and the losses as well are materially higher than 1921. The premium total being $20,718 and claims paid $6,689.

Maccabees Now Paying Dividends to Members

The Maccabees announce that they have now $170,000,000 insurance on an actuarial basis. Rates now charged allow for payment of dividends on policies. Approximately 3,000 cheques were delivered in Ontario in March. They are now going out to other provinces. These cheques represent the interest earnings in excess of the estimated 4 per cent., also savings from a favorable rate of mortality. It is interesting to note in connection with the first dividend which Maccabees are receiving, that when their order was instituted in London, Ont., in 1878, the rates were 10c. per member per call, regardless of age and without medical examination.

Two-thirds of the oil imports into United Kingdom in the week ended March 12, when they were over 15,000,000 imperial gallons, came from the United States and Mexico, the remainder principally from Persia and the Far East.

Cannot Understand Constitution of Canada by Believing What It Says

"No one can understand the Constitution of Canada who believes what he reads; who takes the constitution at its face value; who believes what it says in black and white. In the British Constitution, as in your constitution, if you see anything that is utterly beyond question, beyond any possible cavil, you may be quite certain that it is not so."

So spoke Mr. Justice Riddell at the recent annual meeting of the Association of Life Insurance Presidents at New York. His topic was "the present position of Canada." It was enlightening to his hearers and would be equally so to a Canadian gathering. The point being discussed when Justice Riddell made the above remarks was responsible government. This led to the constitution and, in support of his remarks that the constitution does not mean what it says, the following was cited: "The King is King by the Grace of God. Everyone says so. We know, everybody knows, and he knows and he is proud of it, that he is King by the grace of an act of parliament, the 'Act of Settlement.' He is King by the Grace of God the same way as I am speaking to you by the Grace of God and that you are patient enough to hear me, by the Grace of God. The King is head of the army and navy and he cannot appoint a midshipman or a lieutenant. The King can take any one of the 600,000,000 British subjects throughout the world as prime minister so long as he takes the one selected by the House of Commons."

The speaker proceeded to point out that our governors in Canada are in the same position, emphasizing the fact that they cannot say anything about the legislation proposed under their several jurisdictions, as that would cause the loss of their jobs. It is not their right. It is unconstitutional. You won't find that anywhere in black and white. The governor-general is the only man that cannot say a word about the legislation in Ottawa. If he did it he would lose his job. The lieutenant-governor in Ontario is the only person that cannot say a word about the legislation that is going on in the House of Assembly in Ontario. You cannot find anything like that in the statutes. The statutes, on the contrary, say the lieutenant-governor selects the ministers. The lieutenant-governor does that exactly the same way as the King picks out his ministers, He takes those that are selected for him, and that is all there is to it.

"Governors are so called because they do not govern. Our governors are governors on the same principle that they called a stream on my father's farm 'Trout Creek,' because there are no trout in it. Perhaps you Americans will understand it better if I were to explain by saying, on the same principle that Woodrow Wilson got his name because he would not row but insisted upon steering.

"Our governors are the only people who have nothing to say about legislation. All they can do is to 'sign on the dotted line.' The King appoints ambassadors, and he only sees them once, when they come to kiss his hands. I was appointed by the governor-general, and the governor-general never saw me and I never saw him, and I didn't want to see him. I was appointed by the Ministry. Our Ministry must take the responsibility. That is responsible government. They must take the responsibility for every appointment. There is no confirmation of appointments such as you have in your Senate. They make appointments for which they are responsible to the House of Commons, the people's representatives.

"I compare that with your system. I said you are monarchial. You say you have elected monarchs. So had Poland. You elect a president and if he is not boss you raise a row about it. Your idolized presidents were the most powerful presidents. Did they not take a hand in the legislation? What would be said of a president of the United States who did not say a word about proposed legislation? What about your governor at Albany? Would any one of those governors have a kind of governorship that our governors have? They are merely ornamental. We do not believe in one-man government and we don't have it. We believe in democracy, the government of the people, and if you think you are more democratic that we are then I will let you argue it sometime when I am not here."

HAIL COMPANIES PAID FEW CLAIMS DURING PAST YEAR

Losses Were About One-Third of the Previous Year

Hail insurance companies operating in Canada had an excellent year in 1922. The premiums paid were nearly three times the total of the claims paid. The premium total was slightly higher than 1921, while the losses were almost one-third. Most companies lost on 1921 operations the total losses being greater than the total premiums. Not one hail company paid losses greater than the premiums paid.

The figures:

	Prem. $	Losses $
L'Abeille (Bee Hail)	99,996	34,923
Acadia Fire	71,294	24,812
Aetna Insurance	37,214	12,044
Alliance Insurance	121,314	59,726
British Crown	112,459	40,782
British Oak	124,407	63,280
British Traders	136,199	29,439
Canada Security	430,195	122,952
Canadian Indemnity	162,931	68,900
Car and General	186,038	95,484
Connecticut	150,297	50,163
Continental	133,949	52,974
Eagle Star and Br. Dominions	103,143	29,823
Employers' Liability	47,593	21,122
Excess	74,639	29,361
Federal	47,593	21,122
Fidelity-Phenix	93,104	37,785
Gen. Ac. of Canada	18,112	4,651
Gen. Accident, Fire	98,208	38,258
Glens Falls	150,297	50,162
Great American	70,240	23,145
Hartford Fire	450,451	193,131
Home Insurance	474,820	162,095
Insurance Co. of N. America	37,214	13,039
London Guarantee and Accident	133,313	63,646
Merchants Fire	103,547	33,012
National Provincial	27,757	12,849
National Union	51,808	11,518
Niagara	27,632	10,741
Occidental	34,246	6,531
Phoenix Insurance	150,297	30,162
Scottish Canadian	31,627	11,366
Security Insurance	36,709	12,109
Springfield Fire	37,214	12,044
Sterling	12,721	5,714
Union of Canton	173,552	75,801
Westchester	150,297	50,163
Totals	4,402,427	1,635,347

MAY PAY 100 CENTS

Union Fire and Casualty Company, a Zenith Organization, Failed

It is learned on good authority that the Union Fire and Casualty Company of Winnipeg, which failed a few days ago, will pay 100 cents on the dollar. This company is one of the subsidiaries of the Zenith Company of Minneapolis, the latter being purely a holding company organized some years ago by S. D. Works, a former insurance commissioner of Minnesota. It is understood that S. D. Works and P. O. Works have resigned as president and vice-president respective of the Zenith Company and that the Canadian directors are now in control. Leo. M. Fingard, of Winnipeg, manager of the Merchants Casualty Company, another subsidiary, is the new president.

MANUFACTURERS' LIFE CHANGES

A number of changes in the agency staff of the Manufacturers' Life in Western Canada have been announced. Cecil M. Twiss, who has suffered a breakdown in health, has been granted a year's leave of absence. He has been manager at Winnipeg for the past ten years and has taken an active interest in the Life Underwriters' Association of Winnipeg, of which he is at present honorary president. P. A. Wintemute will take over the Winnipeg territory and will be succeeded at Calgary by R. W. McClung, who has recently been stationed at Edmonton. R. A. Robertson has been appointed acting manager at Edmonton.

British America Assurance Co.
Fire and Automobile Insurance.
HEAD OFICE - TORONTO.

BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Wilfred M. Cox, Vice-President; Sir John Aird, Robt. Bickerdike, (Montreal), Ltd. Col. Henry Brock; Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton, (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.

Losses Paid Since Organization, over $54,000,000.00.

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851.
HEAD OFFICE, TORONTO, ONT.
Losses Paid Since Organization $87,000,000.00.

BOARD OF DIRECTORS: W. B. Meikle, President, Wilfrid M. Cox, Vice-President, Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper, (London, Eng.) H. C. Cox, John H. Fulton, (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major-Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.

Satisfactory Service Guaranteed
PRUDENTIAL TRUST COMPANY
LIMITED
Trustees, Executors, Administrators, Real Estate and Insurance, Safety Deposit Vaults.
B. HAL. BROWN, President and General Manager.
HEAD OFFICE
PRUDENTIAL TRUST BLDG., Montreal.
Branches throughout Canada and in London, Eng.

AN EXPLANATION OF FORT WILLIAM'S DEBT

Editor, THE FINANCIAL POST,

Sir: Some time ago a report appeared in the Toronto Evening Telegram which reflected adversely and incorrectly on Fort William's financial position. I immediately took steps to refute same by sending a letter to the "Telegram" for publication, copy of which I enclose. The letter has not yet appeared. Will you please insert in your next issue?

Yours very truly,
H. Jarrus,
Treasurer.

Fort William, March 7, 1923.

Dr. H. L. Brittain's Address with the Associated Board of Trade.

The Editor, Evening Telegram, Toronto, Ontario.

Dear Sir:—

Attention having been drawn to the report of the above as printed in your edition of the 14th, I am requested by the mayor to make some observations on same.

Dr. Brittain makes the unqualified statement that the liability of the Municipality of the City of Fort William is the same as a mortgage of $800 against every house in the place. He then goes further and gives some illustrations of the per capita debit less Sinking Funds of some other cities, but no other figures or explanation in support of how the mortgage figures are arrived at, and consequently leaves an unfavourable impression.

It is stated that Belleville's capita debit was $92.06 of which, General was $72.26 and Public Utilities $15.80 (Waterworks and Gas only). Port Arthur is quoted as $392.94, ($288.55 General and $156.97 Public Utilities) which includes Water, Electric Light, Telephone and Street Railway,—and Toronto $195.25 per capita.

For information I give the following which is Fort William's:

General	139.62
Public Utilities	102.82
Total	$242.44

The Utilities comprising Water, Electric Light, Telephone and Street Railway. Apparently these figures would not have helped the object the Associated Board of Trade was endeavoring to obtain. If they had been given they would have been a guide for comparison.

It would appear from the report that Dr. Brittain was seeking to advise the Provincial Government to limit the borrowing powers of municipalities of which Fort William and Port Arthur were named and which according to his (Dr. Brittain) opinion were practically the same as all Western cities in British Columbia, Alberta, Manitoba and Saskatchewan, where, according to his statement, it had been found necessary for the Legislature to do something to restrain reckless expenditure. Thanks for Dr. Brittain's advice, Fort William is well able to take care of any undertaking it has yet given and does not need such aid.

In the Winnipeg Tribune last week there appeared comment on the annual report of the City of Winnipeg's Sinking Fund as follows:

"The gross debt of the City of Winnipeg now stands at $50,157.770.00 and for every $1,000 of this indebtelness the Sinking Fund holds highest grade liquid securities amounting to $290.00."

In comparison I would point that gross debt of the City of Fort William is $8,201,522.40 and for every $1,000 of this indebtedness the Sinking Fund holds high grade securities amounting to $375.00—the Sinking Fund securities including $1,750,000.00 of Government Guaranteed Bonds.

The position our bonds now hold on the market refutes any suggestion of lack of confidence of the investing public, and it is with the object of clearing any misapprehension that may have arisen in their minds from the reading of such a vague and unsupported statement that I ask indulgence in publishing this letter.

Yours truly,
H. JAMES,
City Treasurer.

FOREIGN TRADE OUTLOOK FOR THE FARMERS

Agricultural Depression the Result of Over-Production

WASHINGTON.—Exporters of agricultural products and representatives of agricultural organizations are being asked by the commerce department to serve on a special commission that will investigate the foreign trade outlook for farmers.

An appropriation of $500,000 was made by Congress to investigate what combinations are in existence or in process of formation abroad to hold up the price of raw products, such as rubber. The department also was authorized to make a special study of the international trade situation with respect to agriculture. A department statement says:

"Agricultural produce comprises about one-half of our total exports. During the last three years there has been an apparently slight overproduction in the United States which seriously affects agricultural prices and the question arises as to how temporary this situation may be and what the future prospects are.

"During the ten years before 1922, our production did not keep up with our consumption and the increased consumption was reflected in a decreasing margin of exportable surplus to an average of about 6,500,000 tons per annum just before the war. In the ten years since that time production has steadily increased, not only sufficiently to provide for 13,000,000 increase in population but so that exports have increased to about 17,000,000 tons per annum. In the meantime, the farmer population has kept pace with the general poulation, there having been but little increase in the number of farmers.

"The increased agricultural production is due to nearly 20 per cent. increased output per farmer. This is in turn apparently due to steady improvement in agricultural science and mechanical appliances and is perhaps contributed to by a run of favorable climatic conditions. The lowered production in Europe, especially of Russia, has contributed to create the enlarged market for this surplus abroad.

"It is proposed that there should be an exhaustive investigation of the facts as to the proportion of exports to the total of each crop, these facts which bear upon the trend of increased production and increasing consumption at home, the gradual shifting in the world's demand for different foodstuffs, the tendency of agricultural production abroad, the finance of exports, the effect of various trade factors upon the whole question of marketing, the better preparation of produce for foreign markets and aids to exports, the possibilities of shipments to destination instead of rehandling in foreign countries and various factors in understanding the changing character of market which the American farmer must meet."

Atlantic Sugar is Running to Capacity

From Our Own Correspondent.

MONTREAL.—Annual statement of Atlantic Sugar will be issued shortly and will indicate some small progress in getting out of the unfortunate condition the debacle in the sugar market put the company into. At present the plants of the company are running at full capacity and a fair margin of profit is being earned on both domestic and export business although the prices being paid for raw sugar are rather high. The company is earning all fixed charges now and something over. The company's big problem now is to arrange for the funding of its current liabilities and progress to this end is being made.

Is Labor a Source of Wealth?

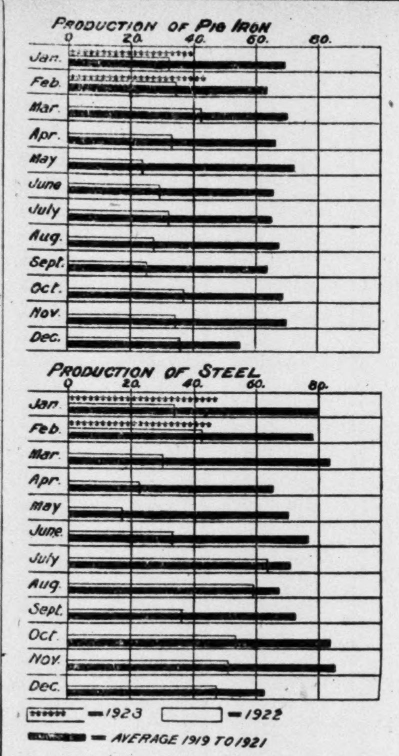
Is Labor a source of Wealth to an Industry? No, says Lord Leverhulme, the British soap manufacturer, in a mail debate with a British labor leader on the subject as to whether it is possible for a man by working to make a half million a year.

The lord cited Henry Ford. The labor man said there was a vital difference between working and exploiting labor.

Then the lord came back with a specific instance. His own case:

"When I was 33 years of age," he wrote, "I decided to go into the soap business. The only opening was through a business that had been losing money. I took over the same staff. These men had produced nothing but losses for my predecessor, but from the moment I took hold of the business the losses ceased and the profits began. In the second year I found I had made £50,000. I was strongly then of the opinion which you hold, that I could not possibly have made that amount of money for myself. Reviewing the whole position, however, I could only find that I had the same staff who had lost money for my predecessor. I paid higher wages and higher salaries and had somewhat eased the hours of labor. It was merely the organization and system I had adopted that was responsible for turning a loss of several thousands a year into a profit of £50,000 a year."

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies



ST. MAURICE PAPER EARNED $5.66 SHARE

Net Profits Available for Dividends Increased by $442,000 Over 1921 Figure

From Our Own Correspondent.

MONTREAL.—On smaller gross profits, St. Maurice Paper was able to show a much larger sum available for dividends during 1922 and its annual report indicates actual earnings of $5.66 a share as against dividends paid during 1922 of $5 a share. During 1921 it had been necessary to put about $340,000 to depreciation and in addition to write down the value of "wood pile" by over $700,000. Depreciation was smaller this year and there was no writing down of the wood pile.

The two years—1921 and 1922—compare as follows:

	1922	1921
Profits	$696,594	$1,046,679
Depreciation	251,518	339,950
Net profit	445,075	706,729
Written off wood	......	703,240
Available for divs.	445,075	3,488
Dividends paid	394,995	631,992
Year's surplus	50,080	628,504*
Previous balance	617,947	1,246,451
Surplus forward	668,027	617,947

*Def.

Working capital shows some small improvement during the year, as this statement indicates:

Working Capital Account

	1922	1921
Current assets	$3,210,736	$3,653,925
Current liabilities	1,471,939	1,996,248
Working capital	1,748,797	1,657,677

Bank loan was reduced from $1,350,000 to $1,000,000.

70% OF WATER POWER PRIVATELY OWNED

Ontario Leading Public Ownership Province—Quebec Encourages Private Capital

From Our Own Correspondent.

MONTREAL.—In Canada there has been developed 2,204,486 horse power of electrical energy in central stations; stations that sell power to widespread consumers and not including turbines of the pulp and paper plants and other industrial firms that use all the power they develop. Of the total, just 70 per cent. is under private ownership and 30 per cent. is under public ownership.

Ontario has developed 492,025 horse power under private ownership, or 48 per cent. of its total of 1,108,853 h. p. The remainder, 526,828 h. p. or 52 per cent. is in publicly owned developments.

Quebec on the other hand has developed its power resources almost entirely by private ownership. Of the total of 761,480 h. p. energy from central stations, 743,855 h. p. is from privately owned enterprises. Only 17,625 h. p. or 3 per cent. is from municipal plants.

Comparative figures for all provinces follow:

	Public. Owned Turbine	Private. Owned H.P.
British Columbia	10,045	217,356
Alberta		32,380
Saskatchewan		
Manitoba	67,225	50,400
Ontario	526,828	492,025
Quebec	17,625	743,855
New Brunswick	11,910	9,203
Nova Scotia	13,897	1,449
Prince Edward Island		288
Yukon		10,000
	647,530	1,556,956

Fiji Islands Asking Preference on Oil

From Our Own Correspondent.

VICTORIA—The Fiji Islands are anxious to sell cocoanut oil in Canada, and leading mill operators of Suva have been communicating with British Columbia trade interests with a view to arranging for preferential tariff treatment that would allow them to ship their product into this country in competition with oil that is being dumped here from the Philippines.

According to the Pacific Oil Mills, the largest operators on the Fiji Islands, a preferential of one and a half per cent would be sufficient, and they point out that this compares with a two per cent. duty given by the new United States tariff law as protection to cocoanut oil manufactured in American possessions.

B.-H. EARNINGS SHOW IMPROVEMENT

Year's Report Shows Excellent Revival of Sales and Earning Power of Paint Company

From Our Own Correspondent.

MONTREAL.—Just over 5 per cent. was earned on the common stock of Brandram-Henderson, Limited, during 1922. The annual report which came out this week was a most cheering document when compared with reports of the previous two years. The president, George Henderson, referred to the improvement in the demand for paint both at home and abroad and stated that this demand should continue to progress.

The profit and loss statement shows the benefit of the larger sales and net profits totalled for the year $163,704 as compared with $147,742 in the previous year. It was not necessary to set apart large sums for depreciation, only $7,500 being charged to this account as against $62,500 in 1921 and $168,465 (including taxes) in 1920. The report indicates that "the cost of upkeep and renewals incurred during the year at all the company's plants has been charged to operating expense."

The amount available for common dividends was $61,623 or about 5 per cent. as against a shortage after payment of preferred dividends of over $10,000 in 1921 and over $142,000 in 1920.

The profit and loss statement for three years compares as follows:

	1922	1921	1920
Net profit	$163,704	$147,742	$120,836
Bond int.	59,581	60,444	59,935
Deprec., etc.	7,500	62,500	168,465
	$ 96,623	$ 24,798	$107,664*
Pref. divs.	35,000	35,000	35,000
Com. divs.	35,397	58,945	48,500
Surp. for yr.	26,226	69,147*	191,064*
Prev. bal.	828,360	897,507	1,088,571
Bal. forward	854,586	828,360	897,507

* Deficit.

The balance sheet shows but few changes, working capital remaining at much the same figure. The president states that the Alberta Linseed Oil Company and the Pacific White Lead Company have been of material value to the company as subsidiaries.

THE RAILWAY SNOWBALL OF DEBT GROWING

(Continued from page 1)

Canadian Northern, Grand Trunk Pacific and Grand Trunk. There remained the Intercolonial, Prince Edward Island, National Transcontinental, Quebec Bridge and nearly 600 miles of branch lines in Quebec and the maritime provinces. The fixed charges of all these units were omitted, and they are certainly not less than $40,000,000 on the basis of accounting applied to the other roads.

The Canadian people will never know the truth about our public railways while this unsound plan of presenting the annual statement obtains. As an illustration, the National Transcontinental cost in the first instance about $165,000,000. Yet from the day it was begun until the present time not a penny for interest on capital outlay has been taken into the account. No corporate railway would be permitted to do such a thing. No business house would do it, simply because it would be a violation of the elementary principles of bookkeeping.

A correct capital account for the National Transcontinental would for 1922 show a liability of somewhat over $300,000,000; yet not even the fixed charges on the original cost are shown in the annual statement to Parliament. And the matter grows worse when it is remembered that the old government group is treated in precisely the same way. The capitalization of these omitted units cannot be less than a billion dollars, and the truth should be frankly recognized that the fixed charges arising out of that liability are just as real as those which are brought into the accounts for say the Canadian Northern. No good can possibly come from ignoring the indisputable facts of the case, merely because a loose and unsound plan was adopted half a century ago, or that the payments are made under the head of the public debt.

Thornton's Big Task

We cannot too clearly understand that Sir Henry Thornton's real task is not the balancing of operating revenues with operating expenses. That was probable from the outset. What will tax his skill to the utmost grows out of the situation with respect to fixed charges. He will have accomplished a big thing if, within ten years, he succeeds in making operating surpluses countervail the rising volume of interest charges on capital liability. Let that point be made clear by repeating it. His work is not to cut down the annual deficit on account of fixed charges, but to stop the snowball now in motion from growing in volume. It will be a great triumph if he does it.

Few people appear to have any clear conception of what happens every time this capital account snowball makes a complete revolution. It not only incorporates into itself $100,000,000 of fixed charges on over two billions of capitalization, but the interest on the unpaid interest of the preceding years. Neither he nor government has any magic way of arresting the accretive power of this moving monster. Not only must the bills be paid, but they are paid, albeit the payments are hidden under a dozen different heads in the Public Accounts. It certainly does not make matters any better to have the process go on under a variety of heads.

A Tremendous Burden

Government has advanced, in one way and another, over $700,000,000 to the Canadian National group since nationalization was tacitly begun in 1914. The Minister admitted to Parliament the other day that some $80,000,000 of unpaid interest on the advances was owing to government by the Canadian Northern, Grand Trunk Pacific and Grand Trunk. These advances are not ceasing. They amounted to $70,000,000 last year, and the estimates for the current year contain almost as large an amount. For new equipment alone over $20,000,000 is required. All these amounts are gathered up by this huge rolling snowball, to which allusion has just been made.

These observations are not made in an unsympathetic spirit. For good or ill, we are as a country committed to this vast adventure in nationalization. We should, therefore, be united in our effort to defend Sir Henry Thornton from his greatest peril at this moment, and for every other moment of the future—political interference. The point which is here sought to be developed is that the people as a whole would be more disposed to rally to his support in his constant fight against the politicians if they were frankly told the full truth about the magnitude of his task. The announcement that the operating deficit has been eliminated might easily lead them to assume all danger was past. As a matter of fact, the $12,000,000 picked up last year on account of operation was quite swallowed up by the growth of fixed charges. That is the aspect of the matter on which public attention must be focused, since it is the country's real peril.

BANK OF HAMILTON

Fifty-first ANNUAL STATEMENT

TO FEBRUARY 28th, 1923

PROFIT AND LOSS ACCOUNT

Balance at credit of Profit and Loss Account, 28th February, 1922	$ 216,590.69	Disposed of as follows:— Quarterly Dividends, Nos. 132, 133, 134 and 135 at rate of 12% per annum	600,000.00
Profits for twelve months ended 28th February, 1923, after deducting charges of management, interest accrued on deposits, rebate on current discounts, and making provision for bad and doubtful debts	797,898.29	To Pension Fund, Annual Assessment	21,031.33
		Provision for Dominion Government Taxes including Tax on Bank Note Circulation	66,659.07
		Reserved for Contingencies	250,000.00
		Balance of Profits carried forward	76,798.58
	$ 1,014,488.98		$ 1,014,488.98

GENERAL STATEMENT

28th February, 1923

LIABILITIES

TO THE PUBLIC:		
Notes of the Bank in Circulation		$ 4,709,557.00
Deposits not bearing interest	$13,822,362.79	
Deposits bearing interest, including interest accrued to date of statement	45,144,011.91	
		58,966,374.70
Balances due to other Banks in Canada		98,605.35
Balances due to Banks and Banking Correspondents in the United Kingdom		453.15
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		423,025.73
Acceptances under Letters of Credit		195,967.07
		64,393,983.03
TO THE SHAREHOLDERS:		
Capital Stock paid in		5,000,000.00
Reserve Fund		4,850,000.00
Balance of Profits carried forward		76,798.58
Dividend No. 135 payable 1st March, 1923		150,000.00
Former Dividends unpaid		849.00
		$74,471,630.61

ASSETS

Gold and Current Coin	$ 929,917.80
Gold in Central Gold Reserves	500,000.00
Dominion Government Notes	7,228,453.00
Notes of other Banks	478,554.00
Cheques on other Banks	2,680,392.64
Balances due by other Banks in Canada	510,514.64
Balances due by Banks and Banking Correspondents in the United Kingdom	39,060.85
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	392,045.52
	12,758,938.47
Dominion and Provincial Government Securities, not exceeding market value	3,219,631.00
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	3,017,383.91
Railway and other Bonds, Debentures and Stocks, not exceeding market value	412,587.57
Call and Short Loans (not exceeding thirty days) in Canada, on Bonds, Debentures and Stocks	7,055,306.80
	26,463,847.75
Loans to Cities, Towns, Municipalities, and School Districts	3,210,947.74
Other Current Loans and Discounts in Canada (less rebate of interest)	39,500,197.86
Real Estate other than Bank Premises	681,896.87
Overdue Debts, estimated loss provided for	360,888.54
Bank Premises, at not more than cost, less amounts written off	3,330,795.37
Deposit with the Minister of Finance for the purposes of the Circulation Fund	250,000.00
Liabilities of Customers under Letters of Credit as per contra	195,967.07
Other Assets not included in the foregoing	477,169.41
	$74,471,630.61

JOHN S. HENDRIE, President.
J. P. BELL, General Manager.

AUDITORS' REPORT

In accordance with the provisions of sub-sections 19 and 20 of section 56 of the Bank Act, 1913, we report to the shareholders as follows:—

We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We have checked the cash, and verified the securities representing the investments of the Bank, at its Chief Office and principal Branches at a date other than that of the verification at the Chief Office on the 28th of February, 1923, and found that they were in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

C. S. SCOTT, F.C.A., of C. S. Scott & Co.
E. S. READ, C.A., of George A. Touche & Co.
Auditors

Hamilton, 19th March, 1923.

C. P. R. STOCK YIELDS 6 2-3% AND HAS GOOD POSSIBILITIES

(Continued from page 7)

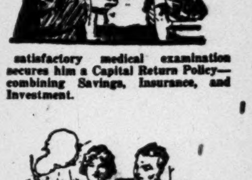
occasions by the issue of new stocks at prices that were very attractive. If the C. P. R. is to expand in the future it might follow this policy when requiring new capital. Such allotment would be of considerable importance to shareholders and would enhance the market value of the C. P. R. securities. C. P. R. will advance too as interest rates come down. It is becoming more and more recognized as an investment security subject to fluctuations with the change in interest rates. As interest rates tend to decline C. P. R. will advance in value. The point for the investor to consider is that in C. P. R. he can get a yield that is very satisfactory; that is as high as could be obtained on any security as safe as C. P. R. and this he is getting with this, speculative possibilities that certainly are not sensational but that are remarkable in a security that offers the sound investment qualities of Canadian Pacific Railway stock.

MAY REMOVE THEIR FUNDS

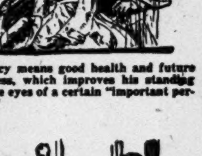
Railway brotherhoods and other labor organizations, not registered in Canada, may feel called upon to remove all their funds from the Dominion, following the Manitoba court decision that they are illegal organizations. The amount involved is said to run into millions.

Every Dollar Comes Back

A Young Man's Investment



A satisfactory medical examination secures him a Capital Return Policy—combining Savings, Insurance, and Investment.



His policy means good health and future success, which improves his standing in the eyes of a certain "important person."

His tendency to save and invest creates a favorable impression upon his employers.

He finds his savings of great assistance in buying a home,—

And as time goes on he is enabled to enjoy many of the good things of life.

With Substantial Dividends

Have you ever heard of an absolutely safe investment, purchased by instalments, which does not require the payments to be completed if you become disabled, but, instead, pays you a monthly income as long as you live?

—which cancels all further payments in event of death and pays immediately the full amount you had set out to save?

—or, at the end of 20 years, absolutely guarantees to return to you every dollar you have deposited in annual premiums, with substantial dividends?

The Capital Return Policy

is a new departure in life insurance policies which the Canada Life introduced to the public. It has carried out the above program for a great number of policyholders who wisely took advantage of it.

This Policy Gives You---

1 Immediate Life Insurance protection for your home.

2. Cash values, available in emergencies, which, with the substantial dividends added at stated intervals, make your policy a *valuable business asset.*

3. At the end of 20 years you can draw out all you have paid in, along with dividends which have been compounding at interest,—

Or, you can take a Special Cash Guarantee, along with the accumulated dividends, and continue the policy (fully paid for) earning dividends as long as you live,—

Or, this Special Cash Guarantee may be applied to increase the amount of your policy—for example, a $5,000 policy would be raised to more than $7,500.

And in addition---

Suppose some day you should become totally and permanently disabled through accident or illness. Immediately all further deposits would cease, and you would receive $50.00 a month as long as you live—and the $5,000 would be paid in full at your death. (This feature is added for a small extra payment yearly, which is not returnable with the regular deposits.)

Do Not Pass This By

Canada Life

Home Office

TORONTO

Canada Life Assurance Company

Name .... Address .... Born 12

DIVIDENDS

HOWARD SMITH PAPER MILLS, LIMITED

COMMON DIVIDEND NOTICE

Notice is hereby given that a dividend of 1½% on the Common Stock (being at the rate of 6% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of March, 1923, payable on the 20th day of April, 1923, to Shareholders of record at the close of business on the 10th day of April, 1923.

By order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, March 26, 1923.

HOWARD SMITH PAPER MILLS, LIMITED

PREFERRED DIVIDEND NOTICE

Notice is hereby given that a dividend of 2% on the Preferred Stock (being at the rate of 8% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of March, 1923, payable on the 20th day of April, 1923, to Shareholders of record at the close of business on the 10th day of April, 1923.

By order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, March 26, 1923.

Dividend Number 109

Hollinger Consolidated Gold Mines Ltd.

(No. Personal Liability)

A dividend of 1% upon the outstanding capital stock of the Company has been declared payable on the 23rd day of April, 1923, on which date cheques will be mailed to shareholders of record at the close of business on the 5th day of April, 1923.

Dated the 29th day of March, 1923.

D. A. DUNLAP,
Treasurer.

ATLAS BRICK COMPANY LIMITED

PREFERRED DIVIDEND NO. 5

Notice is hereby given that a dividend of 2 per cent. (two per cent.) on the preferred stock of the Atlas Brick Company Limited, has been declared for the quarter ending March 31st, 1923, payable April 14th to shareholders of record March 31st, 1923.

By order of the Board.

K. G. WILLIAMSON,
Secretary-Treasurer.

Montreal, March 12th, 1923.

DIVIDEND NOTICE

HAMILTON FINANCE CORPORATION, Ltd.,

Board of Directors have declared a quarterly dividend at the rate of 7% per annum, on all Preferred Stock of record as of September 30th, 1922, and a quarterly dividend at the rate of 7% per annum on all Preferred Stock of record as of December 31st, 1922, said dividends payable April 10th, 1923.

L. S. KELLY,
Managing Director.

Abitibi Power & Paper Co. Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 20th day of April, 1923, to shareholders of record at the close of business the 10th day of April, 1923.

By order of the Board.

L. R. WILSON,
Secretary.

Canadian Industrial Alcohol Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one per cent. (1%) has been declared on the Capital Stock of this Company for the Quarter ending March 31st, 1923, payable April 16th, 1923, to Shareholders of record at the close of business March 31st, 1923.

By order of the Board,

S. G. TURNBULL,
Secretary.

DOMINION TEXTILE COMPANY, Ltd.

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the outstanding Preferred Stock of **Dominion Textile Company, Limited** (old company), and of one and three-quarters per cent. (1¾%) on the outstanding Preferred Stock of **Dominion Textile Company, Limited** (new company), has been declared for the quarter ending 31st March, 1923, payable April 16th, to shareholders of record 31st March, 1923.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 28th February, 1923.

AFTER OIL SWINDLERS

New York Postmaster General New states that the post office department and the department of justice have a campaign now under way to trap the oil stock swindlers who are robbing the American public at the rate of $100,000 a day. The public has lost more than $250,000,000 in the last three years from fraudulent oil stock selling schemes, according to Better Business Bureau of New York City.

According to the Western Lumberman the forest revenue of the province of New Brunswick during the four years, 1918-21, averaged $1,061,000. Expenditures averaged $188,000, or only 18 per cent. of the revenue. Damage from fire in New Brunswick averaged $342,280 per annum.

SALMON PACKERS HAVE A NEED FOR JAPANESE LABOR

Say Costs Too High to Compete With Other Countries

ARE OVER-REGULATED

Complain That Feeling Against Yellow Workers Has Driven Them From an Industry in Which They Were Desirable.

From Our Own Correspondent.

VICTORIA.—The situation confronting British Columbia salmon canners is anything but encouraging at the present time. Almost all the factors that could work a serious hardship on the industry are now in evidence and indications point to the present year being a hard one.

Market conditions are not particularly favorable. F. E. Burke, general manager of the Wallace Fisheries, and regarded as one of the leaders in the business on the Pacific coast, had just returned from Great Britain, where he made a thorough investigation of the canned salmon market and reached the conclusion that little business could reasonably be expected from that quarter.

Mr. Burke states that Siberian and Japanese canned salmon is being sold in large quantities in the United Kingdom market at prices considerably lower than those charged for the Canadian product. The British consumer, he says, would prefer to buy Canadian canned salmon, but the difference is enough to shut it out of the market.

Costs of production must come down before British Columbia canneries can expect to get their share of the world's trade, according to Mr. Burke, but unfortunately the canners have a multitude of problems before them to-day which in their solution may result in a further increase in the present cost of operations.

The new government regulations applying to the salmon industry are one reason for the canners' present dilemma, and H. B. Bell-Irving, one of the best known figures in the business, has made formal protest to Ottawa, declaring that the conditions under which canners are forced to operate make it increasingly difficult for them to build up or even maintain their markets.

The drastic reduction in Japanese fishing licenses, which was authorized by the Dominion government largely as a result of the report of the Duff Commission, is expected to curtail production to a serious extent and make it costlier for the cannery interests to carry on. There has been a long agitation against employment of Japanese and other Orientals in the salmon industry and there is little doubt that the action of the government met with the approval of the general public and the few white fishermen who have been trying in a small way to compete with the Japanese. The canners who have been depending largely on the Japanese fishermen for their supply of salmon take a very different view.

"No sooner have the canners adjusted themselves to conform with one set of regulations than they are faced with another," stated Mr. Bell-Irving. "The members of the Duff Commission undoubtedly thought they were doing the right thing by the industry and their constituents when they recommended reduction in the number of Japanese licenses, but the effect has been to drive the Japanese from an industry for which they were naturally well suited into other industries such as logging, fruit growing, market gardening and poultry-raising, where they will compete with the best class of small-holding white family farmers for twelve months in the year.

"The whole situation is becoming desperate and will drive some of the canners to ruin unless something is done."

HON. MR. STEWART ADMITS FAILURE OF IMMIGRATION

(Continued from Page 1)

much. Likewise, the country is agreed that we want British-born farmers in preference to all others, but the trouble is that we can't get them. The experienced British farmer and his family are not emigrating in large numbers. Neither are the next best—the American.

Experience shows that the third choice is the Hungarians and THE POST has shown that they want to come here—want to come in hundreds of thousands. Moreover, the records show that while hundreds of Englishmen, Scotchmen, Americans and others have been involved in disloyal agitation, at no time did any Hungarian come under suspicion. Superior farmers, a simple, hard-working people, they are devoted to their homes and their families. They were opposed to the war; opposed to Germany and want to get away from future danger. They are looking to Canada. Only recently a former Hungarian premier stated he himself wanted to settle in Canada.

But our Acting Minister of Immigration does not seem to want them.

* * * * *

The M.P.'s, Liberals and otherwise, who have criticized our lack of national immigration policies, are supported by their constituents back home. There has seldom been so much general outspoken discontent expressed over a government's inaction, in reducing expenses, by cutting waste, and increasing incomes by bringing in immigrants. What is Mr. King going to do? Mr. Stewart has Immigration. Good business also suggests a Minister to cut wastes.

WORKED OUT MINE

Wetlauffer Stock Soars—All Known Silver Mined Years Ago

The old Wetlauffer property in South Lorraine has come back to life on the mining market—going up from almost nothing to 22-24 cents. This is gambling on the prospect that the engineers who gave the mine up as worked out years ago, were mistaken. The Wetlauffer was a diabase claim. It had rich surface showings. Between one and two million ounces were taken out, all the known high-grade, and then the property was closed. There may be some low grade life in the workings which it was not thought profitable to work at that time.

WHY THE FARMER'S PROFITS ARE LOW

Goods He Must Buy Have Increased More Than Products He Has For Sale

An interesting study appearing in the current issue of Investment Items, published by the Royal Securities Corporation, deals with the relative prices of agricultural products and of manufactured goods and such other commodities as are necessities to the farmer. Reference is made to Department of Labor's comparative table of index numbers of wholesale prices for January. The relative prices of various products of the farm are shown as follows:

	Jan. 1923	Jan. 1914	In.
Grains and fodder ..	171.5	140.9	30.6
Animals and meats (except poultry) ..	207.0	189.0	18.0
Dairy products	232.3	179.9	52.4
Hides and tallow ..	135.0	194.0	x59.0

x—Decrease.

Commodities which the farmer must purchase show the following comparison as to wholesale prices:

	Jan. 1923	Jan. 1914	In.
Groceries	183.0	112.9	70.1
Woollens	225.4	137.5	87.9
Cottons	284.3	145.2	139.1
Boots and shoes ...	207.7	155.7	52.0
Implements	230.1	106.6	123.5
Lumber	334.4	183.5	150.9
Paint, oils, glass ..	268.9	140.2	128.7
House furnishings ..	275.5	128.8	146.7

On the above basis it is apparent that whereas the farmer receives an average of only 10.5 per cent. more for his products than he did in 1914 he has to pay for essential commodities 112.3 per cent. more.

The greatest anomoly exists as between raw products, hides and tallow and the finished articles in boots and shoes. Whereas the former are actually 59 per cent. lower the latter are 52 per cent. higher than the prewar level. For the ratio of wheat to wholesale commodities to be the same as in 1914, it would be necessary for the farmer to get about $1.57 per bushel instead of $1.10.

Indeed even this comparison, it is pointed out, does not show the full measure of hardship suffered by the Canadian farmer, for he buys his supplies at retail and the retail price level is much further above 1914 than the wholesale and will be much slower in coming down.

Two Keora Properties in Mr. Tyrrell's Hands

J. B. Tyrrell has been placed in charge of the operations on Keora, which will soon reopen. Immediate plans call for a diamond drilling campaign of from 5,000 to 10,000 ft. It is expected that by the end of the month British interests will have acquired a substantial interest in South Keora. Operations will then start to dewater the workings and develop the ore bodies on the 250-ft. level. Mr. Tyrrell will likely have charge of this work. Reports of leading engineers on these properties say they have all the earmarks of developing into excellent producers.

May Take Action in Thompson-Krist Case

Thompson Krist stock has been prominent during the recent trading. Heavy buying was reported on the part of a broker. It is believed that he has been in touch with the British interests, representing the minority or about 40% of the stockholders. They are tired of the methods of procrastination which has marked the affairs of this company and are said to be planning to force action. This may include a suit against the North Crown or Porcupine Crown. The Thompson Krist property is one of promise. All it need is a real mining effort. It has been a matter of considerable wonder to mining men that the affairs of the company were allowed to drift as they have been. The latest movement may force the hand of the company heads. If the British interests could get control the shareholders might have a mining chance.

Wawanesa Mutual's Fire Losses Heavy

The assets of the Wawanesa Mutual Insurance Company of Wawanesa, Manitoba, increased during 1922 to $1,873,316 from the figure of $1,834,240 in 1921. The company's investments consist largely of Victory Loan and provincial bonds.

Receipts for the year consist chiefly of premiums totalling $81,454.87, assessments for $285,202.93 and interest amounting to $17,469.81. The total losses paid during the year were $281,621.24, of which $229,434.73 occurred in 1922.

Since its organization in 1897 the company has enjoyed steady progress. At the end of its first year it had insurance totalling $366,816 in force. This has increased steadily every year to $105,190,172 at the end of 1922. Of this $39,628,960 was written in 1922.

HOW SASKATCHEWAN WILL RAISE MONEY

Corporations and Financial Institutions Bear Heavy Share of the Taxes

From Our Own Correspondent.

REGINA.—Just 18 per cent. of Saskatchewan's income for 1923 will come from the Dominion treasury at Ottawa. This will be divided between three sources, 10 per cent. or $1,763,883 will be in the form of a federal subsidy which the province has been receiving since its formation as a province in 1905; four per cent. or $701,350 interest on money in respect to the school lands fund and $440,000 representing reimbursement of costs incurred in road construction and maintenance of government employment bureaus.

The remainder of the $17,843,483 which the province expects to receive during the year will come from varied sources. The public revenue tax, a levy upon urban and rural centres, will yield $2,275,000 or about 13 per cent. of the whole; $628,000 will accrue from telephone revenue and $172,000 is due in interest on advances to the Saskatchewan Co-operative Elevator Company; $544,000 in interest and due bills from the Farm Loan Board; $725,000 from the wild lands tax. The treasury will collect an aggregate of $4,512,880.

Revenue of the attorney general's department is estimated at $1,489,000 or about 9 per cent. Fines and forfeitures will bring to the province $175,000; court fees, $160,000; land titles fees, $650,000 and succession duties, duties payable on inheritances, $325,000.

Licenses and other fees, including automobile licenses, are expected to produce $1,140,000; corporation taxes, $470,000; railway taxation, $195,000, and company fees, $45,000.

Insurance companies will pay the province $47,900 for licenses and $22,000 for certificates of authority. The mental hospital will yield a revenue of $190,000, the jails $20,000 and the home for the infirm, $20,000. Game licenses and trappers' fees will bring in about $115,000 and $75,000 is due the government from rural municipalities for expenditures incurred in drainage districts.

The department of education, the costliest branch of public service, will only bring in about one-half of one per cent. of the total revenue from examination fees, etc. Other current revenue will be derived from the sale of the official gazette, the Dominion subsidy in aid of treatment of venereal disease and private bills fees.

Capital revenue will obviously balance to a dollar capital expense, which is expected to total $3,301,000.

Increased Buying From Chain Stores

The records of the chain stores show an increase over last year. It was in chain stores that activity in public buying first began to show itself, the economy influence leading people with accumulating funds to first make their expenditures where bargains could be procured. But these sales also are steadily increasing. F. W. Woolworth & Company's February sales, amounting to $11,230,818, showed an increase of 1.6 per cent. over January and of 11.4 per cent. over the same month a year ago. The sales of S. S. Kresge & Co. in February, $5,016,053, were 33.3 per cent. larger than in February, 1922. Woolworth & Co. and Kresge & Co., in 1912, did the largest business in their history, and yet for the two months of this year just passed, the Woolworth Co. shows a gain of 13.58 per cent., and the Kresge Co. 26 per cent. over the two months of 1922.

These figures of the chain stores give some indication of the attitude of the most careful buyers in the country, and that these people are increasing their purchases gives an idea that prosperity is reaching out to all classes.

Mining Stock Quotations

Week Ending April 3rd.

	High	Low	Close	Sales
Algonquin .	8	8	8	2000
Apex	4⅛	4	4	11000
Argonaut	69	65½	68	29500
Atlas	12¼	11	11¼	21500
Baldwin	11¾	10¾	11½	83500
Beaver	52	49½	51¾	49500
Buckingham .	18	17	18	57000
Csle Trethewey	29	27½	28	14500
Clifton	27½	27	27	30500
Chaput-Hughes	14	10	12	10005
Coniagas	3.10	2.85	3.00	2800
Cons. Smelters.	29	28⅝	28¾	310
Cons. W. Dome	28	25¼	27½	81500
Cr. Reserve . .	63	54	60	79100
Davidson Ex-rights . . .	5¾	5½	5½	4300
Dome Mines . .	44.00	43.00	43.10	1810
Dom. Kirkland	3¼	2½	3¼	18500
Gold Reef . ..	4½	4¼	4¼	88000
Goldale	51½	49	50	10500
Hattie	36½	34½	34½	49000
Hillcrest, com.	73	—	—	50
Do., pref.	90	—	—	10
Hollinger	13.52	13.35	13.45	2600
Hunton	12	11	12	48500
Inspiration . .	10	9	9	7500
Keora	16½	14¼	15½	68000
Kirk. Lake ...	60	55¾	59¾	42500
La Rose	30	—	—	6500
Lake Shore . .	3.45	3.40	3.45	5900
Lorrian	41	33	40	255500
McK. Darragh	25½	24	25	38000
McIntyre	19.90	19.50	19.50	1035
Mining Corp. . .	3.50	3.40	3.45	12200
Moneta	23	19	22¼	96500
Newray	38	35	37	59000
Nipissing . ..	6.20	6.00	6.10	1765
Ophir	3¼	3	3	16500
Pete. Lake ...	13¼	13	13	4000
Porc. Crown .	18	15	17½	28500
Porc. Tisdale .	4	3	3⅝	3500
Pres. E. Dome	16	14⅞	15⅝	112000
Schumacher ..	29	—	—	2000
Teck-Hughes . .	1.18	1.13	1.16	65100
Thomp. Krist .	7	4¼	7	114500
Timiskaming ..	41¼	37½	41	47000
Trethewey	5	—	—	1000
Wakenda . ..	10½	10	10	10000
Wasapika . ..	8¼	8	8	37000
West Tree ...	12⅞	11½	12¼	62000
Wright Hargreaves ...	3.58	3.51	3.55	1700
Vipond Con. .	70	69	70	28500
Wettlaufer . . .	24	12½	23½	84000

Shopmen call off strike on Northwestern Pacific first authentic instance of kind reported to Railroad Labor Board. W. S. Palmer, president of road, says strikers will be treated as new men applying for work.

B. G. Work, president of B. F. Goodrich Co., after study of foreign markets, declares acute rubber shortage which appeared imminent owing to restriction of crude rubber exports will not materialize.

Seven Significant Facts about the Mutual Life Assurance Company of Canada

Mutual Life Funds distributed to policyholders and beneficiaries last year $5,289,441

Mutual Life Funds invested for policyholders in Canadian Securities more than $50,000,000

Mutual Life Surplus of Assets over Liabilities $6,603,718

Mutual Life Payments to Policyholders and beneficiaries since its establishment $42,025,895

Mutual Life Reserve Funds and Surplus $53,334,800

Mutual Life Funds paid to or held for Policyholders exclusively $95,360,695

Mutual Life Assurances in force amount to $246,486,654

The Company is established on the most modern principles—Democratic, Equitable and Economic. The last word in life insurance.

THE MUTUAL LIFE ASSURANCE CO. OF CANADA

WATERLOO - - ONTARIO

"The Net Cost Life Insurance Company"

A MONARCH LIFE POLICY MAKES A WONDERFUL DIFFERENCE

Leave YOUR dependent ones a regular monthly income, in addition to your "lump sum" Insurance.

The MONARCH LIFE is a good Company.

Head Office - Winnipeg

DO NOT DELAY. ASK FOR PARTICULARS.

The Monarch Life Assurance Company

Dear Sirs—Without obligation to me, you may send particulars of your Monthly Income Plan.

Name .... Address....................................

I was born on the ....day of..........................., 18....

Featuring Insurance

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section 17-24 | PUBLICATION OFFICE: TORONTO, APRIL 6, 1923 | Special Section 17-24

HEAVY FIRE TOLL OF 1922 SHOWS NO LET UP IN 1923

Use of Buildings for Purpose Other Than Intended One Cause

SOME SOLID ADVICE

Valuable Suggestions Are Offered as to Best Method of Avoiding Fire Losses

The heavy fire losses for 1922 have spread into 1923. The total piles up steadily. Investigations go on steadily. They reveal some astonishing conditions. An analysis of these conditions or causes is rather intricate. What may be a common cause in steel industries may not be so in the case of textile industries. However, six principal fire causes stand out. These, in order of their importance, are: Stoves, furnaces, boilers and their major pipings; friction is second; then come sparks from combustion; fourth is electricity; spontaneous combustion ranks fifth; and lastly comes smoking and matches.

As pointed out by Guy E. Beardsley of the Aetna Insurance Company, a matter which exercises a decided bearing on fire losses is the fact that many buildings are used for purposes other than those for which they were originally intended. Consequently they are not suited to the present uses and are often overcrowded, inducing special hazards.

In guarding against the first class of causes, it is pointed out that high pressure boilers and furnaces should rest on the ground on a properly constructed fire-proof floor. Low pressure boilers, stoves and ranges should rest on fire-proof foundations. Wooden floors may be used if they are protected by sheet metal or asbestos, supported by masonry or bricks. Care should be taken to have air spaces between the wood and the surface covering, because materials such as bricks, will conduct heat readily, if set in solidly without air spaces. Any woodwork four feet from the side or six feet from the front of such furnaces should be covered with metal or other incombustible material to a height at least four feet and extending the full length of the furnace or boiler, as it may be. This should be attached so as to have an air space between it and the wall.

Boiler rooms should be separated from the rest of the plant by at least an 8-inch wall, with fire doors at all the openings, so that any fire within will be cut off, from the rest of the factory. If oil is used as fuel, a pump rather than a gravity supply should be effected, control of which should be outside the room.

Care should be taken in laying all connecting pipes. Steam pipes should be at least one inch from any woodwork. Where a pipe passes through combustible material, such as floors it should be encased in a metal tube at least one inch larger in diameter. If these precautions are taken, many fires, causing heavy economic losses can be avoided.

The friction hazard can be overcome chiefly by careful "shop practice." The first essential is to keep all bearings and moving parts thoroughly lubricated. Almost as necessary is it to exercise habits of cleanliness—to keep the floors and surroundings free from such combustible material as saw-dust, oil and other waste.

Under the heading, sparks from combustion, come fires caused by sparks from open fire boxes, forges, torches, etc. This hazard may be reduced mainly by the proper segregation of all processes involving sparks or open fires.

The danger from electricity is almost entirely due to defective wiring. While open wiring can be made safe there is always the possibility of it being broken or torn from its supports. Conduit wiring is a much safer type of insulation. The best way to minimize the danger from this source is to include in the organization someone who has had competent instruction in electric wiring and installation. Motors should be installed with care to avoid hazard from inflammable liquids such as gasoline, benzine, and so forth.

Many would attribute the losses arising from spontaneous combustion to uncleanliness. The sources are many, the most frequent being oily substances, such as rags and wipers, which have been saturated with lubricating oils—tallow, lard, and oil, are slightly less combustible. Coal, if improperly stored, may ignite from combustion. Large stores of it should be placed in moderate sized piles and any which show an increase in temperature should be used first.

The part which smoking and matches play can be effectually safeguarded by prohibiting smoking on the premises. The employees should not be allowed to carry matches into the workrooms. This can be done by providing a recreation room, having lockers for clothes, so that the men who wish can smoke at noon or dur-

(Continued on page 23)

HEAVY FIRE LOSSES CONTINUE THROUGHOUT MARCH

That the heavy fire losses experienced last year have continued and even shown an increase for the first quarter of 1923, is a matter of concern to all business interests. In January and February there were three hundred more fires with $500,000 greater loss this year than last. The heavy losses have continued in March so that it is estimated they will total a million and a half dollars more this year than for the corresponding quarter in 1922.

FEWER ACCIDENT CLAIMS WERE PAID 1922 FIGURES SHOW

Payments on Sick Policies Also Show Decline

Sickness and accident insurance in Canada was a money-making proposition during 1922, the premium return greatly exceeding the losses. In purely sickness policies the premium return was well over a million and a half while the losses fell below the million mark. In purely accident policies, the premium return was nearly two and a half times the losses despite the increase in accidents due to traffic congestion. In combined sickness and accident the premium return exceeded the loss by a half million. In but two or three cases do company returns show losses above income.

Sickness Insurance

	Premium $	Losses $
Alliance Assurance .	15,337	20,599
Canada Accident	29,439	14,955
Continental Casualty	172,331	83,948
Dominion Gresham .	26,319	28,799
Dominion of Canada Guar. & Accident..	191,632	99,646
Employers' Liability.	78,617	57,988
Fidelity and Casualty	80,270	51,405
General Accident Co. of Canada..	40,306	21,239
Globe Indemnity ...	114,076	80,163
Guardian Insurance.	10,910	10,124
Hartford Accident .	3,403	2,339
Imperial Guarantee & Accident	108,668	60,137
Imperial Underwrit's	854	341
Indemnity Insurance	260	None
Law, Union & Rock	5,642	3,957
London and Lancashire Guarantee & Accident	75,239	43,039
London Guarantee & Accident	48,723	25,652
Maryland Casualty .	37,988	22,080
Merchants' and Employers'..	2,195	775
Metropolitan Life ..	3,196	225
N. American Accident	23,877	12,073
Northern Assurance .	27,356	20,420
Norwich Union	65,280	54,779
Ocean Accident and Guarantee	78,254	33,095
Preferred Accident .	5,095	5,328
Railway Passengers.	28,464	12,227
Royal Exchange ...	6,096	None
Royal Indemnity ..	4,041	3.667
Scottish Metropolitan	77,053	55,191
Sun Insurance	3,332	1,345
Travelers Indemnity.	116,746	85,803
Union of Canton ..	33,484	10,508
United States Fidelity and Guaranty	36,002	27,594
Yorkshire..	34,387	23,962
Totals	1,584,872	973,403

Accident Insurance

	Premiums $	Losses $
Alliance Assurance .	16,618	7,975
Canada Accident ..	50,534	13,887
Car and General ..	10,278	6,744
Continental Casualty	245,971	47,716
Dominion Gresham .	27,001	24,899
Dominion of Canada Guar. & Accident	314,835	117,725
Employers' Liability.	136,583	78,581
Fidelity and Casualty	61,505	39,291
Gen. Accident of Can.	48,473	28,651
Globe Indemnity ..	162,267	66,124
Guardian Insurance Co. of Canada ...	14,462	3,887
Hartford Accident .	4,641	1,502
Imperial Guarantee and Accident	152,133	77,075
Imp. Underwriters ..	914	132
Indemnity Insurance Co. of America ..	499	None
Law, Union & Rock	8,031	2,333
London & Lancashire Guar. & Accident.	89,609	38,208
London Guarantee & Accident	97,231	54,360
Maryland Casualty .	31,081	9,735
Merchants' and Employers'..	2,300	257
Metropolitan Life .	3,854	None
N. American Accident	26,980	12,446
Northern Assurance.	27,984	7,122
Norwich Union Fire	58,809	32,388
Ocean Accident and Guarantee	194,412	101,833
Preferred Accident .	10,735	11,466
Railway Passengers.	46,460	15,509
Royal Exchange ...	12,178	10,772
Royal Indemnity ..	6,121	9,621
Scottish Metropolitan	76,674	27,830
Sun	6,636	1,230
Travelers Indemnity.	33,678	32,953
Travelers Insurance .	344,327	110,760
Union of Canton ..	28,585	4,333
United States Fidelity and Guaranty	38,203	11,554
Yorkshire	34,599	20,928
Totals..	2,425,201	1,029,827

Combined Accident and Sickness

Gen. Accident of Can.	98,266	45,073
London Guarantee .	26,973	None
Loyal Protective ...	252,298	166,637
Merchants Casualty .	487,990	283,257
Merchants' and Employers'	35,203	13,888
N. American Accident	6,699	2,454
Protective Associat'n.	262,152	146,175
Ridgely Protective .	76,550	47,470
Western Casualty ..	36,138	19,799
Totals	1,282,269	724,753

PUBLIC LIABILITY MOST IMPORTANT AUTOMOBILE RISK

Damage May be Many Times Value of the Car

RATES COMPLICATED

Require Exhaustive Statistics—Frequent Adjustments Based on Companies' Experiences

The different types of risk covered in automobile insurance give rise to much misunderstanding on the part of the public. To the man who is contemplating automobile insurance the problem as to whether he should secure protection against all the hazards, or only against part of them, and if the latter plan be chosen, which averages should be secured. In most cases, the cost of all forms appears prohibitive to the buyer and he is likely to choose the fire and theft classes, excluding the others.

There are, in all, five classes—public liability, property damage, fire, theft and collision. Of these the more important is undoubtedly public liability, which covers the payment of damages for injury to the public by the insured's car. In the other classes, except property damage, the possible loss is limited to the value of the car, but where the insured's car causes personal injury by running into someone or otherwise, the injured person may be awarded damages amounting to thousands of dollars. We have a record of one man who had a judgment of $9,000 against him as the result of knocking a little boy down on the street. Being unable to meet the claim, his automobile, piano and store equipment were sold at auction by the sheriff. Without insurance protection any car holder may find himself faced with a judgment which may seriously impair his financial position.

The property damage class covers loss to the property of another person, movable or immovable, caused by the insured's automobile. This may be damage done to another's automobile in collision or to a store or other property. A common loss is that occasioned by a car getting out of the driver's control, crossing the sidewalk and crashing into a store window, destoying the window glass, store front and goods on display. While the loss in such cases may be greater than the value of the car, it is unlikely that it will exceed it by any substantial amount. Cover on this plan is only given in conjunction with public liability insurance.

In the three other classes, the extent of the possible loss is limited to the value of the car. The collision policy covers damages to the insured's car, whether this results in partial or total destruction of it, through collision. Most policies place a minimum limit on the extent of damage. This varies from $25 to $100. Where it is $25 the insurance company is not liable in cases where the accident or collision damages the car only to such an extent that it costs less than that to repair it. In cases where the repairs necessitated by the collision are greater than $25, the company is liable. Fire insurance covers the loss of the car by fire, while the theft clause provides against loss by stealing. The latter cannot be secured independent of the fire protection.

The determination of the rates charged involves a great deal of work tabulating and classifying the net earned premiums and the losses incurred by the companies. This is done by the Canadian Automobile Underwriters Association. They collect the information from the respective companies, tracing the policies from their date of issue, noting the exposure, special hazards, and the losses resulting from them.

In the first place the risks in thickly populated centres such as cities differ from those in rural communities. In the cities the public liability, property damage, collision and theft risks are high, while the fire hazard is low. In rural districts the opposite is true. In considering public liability, property damage and collision cover a distinction is made between private passenger cars and cars such as taxis, jitneys, trucks, etc. It is evident that the latter are much more exposed to these hazards, as they are, ordinarily, driven a great deal more. The small car, as opposed to the large car is favored on these risks as the force of its impact, due to less weight, is not so great, consequently the damage done is likely to be less. Moreover in the case of collision it costs less to repair the small car than the large one.

In considering fire risks the larger and more expensive car has a preference over the smaller one. Fires arise chiefly from faulty insulation, gasoline connections or oil systems. These are usually more carefully installed in the larger cars and do not become defective so soon. The fire hazard in new cars is naturally less than in old cars where these parts have been subject to wear.

Enormous Waste Is Caused By Life Insurance Lapses

Both Policyholder and Company Lose—Many Agents Oversell Their Prospects—A Possible Remedy in Higher Renewal Commissions

By B. W. M. GRIGG
The Mutual Life Assurance Company.

The years 1919 and 1920 were marvellously productive for life insurance companies. Twelve hundred and seventy million dollars of life insurance was issued in Canada during those years. But in same years four hundred and thirty-four million dollars of life insurance lapsed—just one third—which means that for every three steps forward, we take at least one backward step. In other words, one third of our great effort was more than wasted. But this story has been told and retold, and the problem is not so much to deplore the ravages of the disease as to find some means by which it can be checked.

It will be found that lapsing policies is a dead loss all round. The amount of money squandered by the public and the life insurance companies in the course of a year is incredible. In 1921 there was a lapse of two hundred million dollars. If the average premium per thousand were only twenty-five dollars, we would have premiums to the extent of five million dollars paid on this lapsed insurance. Admitting that the term insurance on these lives was worth ten dollars per annum, we would have at the outside, about two million dollars of value received, leaving a loss to the policyholders who had been temporarily insured of about three million dollars. Some years the loss is less, but it is always heavy in proportion to the business written in the previous year.

In the case of every policy that lapses the assured is a loser. It is true he enjoys a year's protection, but for this he pays a sum far in excess of what the benefit is worth. The company is exposed to a considerable expense in securing the application, so they are losers too, and it would appear that the only gainer is the agent. But although he derives a liberal commission on the first year's premium, yet if the policy lapses, he faces the prejudice of the lapsed policyholder who will not think kindly of life insurance men when he discovers that he has had pressed upon him a contract that he is unable to maintain, and which he must surrender at a sacrifice.

Agent is Responsible

Lapses are primarily the business of the life insurance agent. He is the man who is responsible for placing the policy and he is the man who should retain the confidence and good will of the policyholder. In doing so, the agent will not only conserve the business he has already written, but he will also ensure a fruitful field for a future canvass, because, as is well known, there is no other class as productive as that of the satisfied policyholders.

Perhaps we should go farther back and say that the company should take the first step towards conservation by giving adequate instruction to its agents in regard to the conservation policy of the company. When an agent is engaged it should be impressed upon his mind that his duties consist not only of selling life insurance, but in keeping the business in force. And here we might say that in the congresses, conferences and associations, as well as in the books, booklets and magazine articles, the emphasis is altogether too much on salesmanship. Ninety-nine one hundredths of the talk is on salesmanship theory, and there is a complete avoidance of the subject which, from a life insurance point of view, is almost as important as salesmanship—that is conservation. But there should be some greater inducement offered to an agent to look after this part of the business than exists at present. If it is not practicable to distribute the commissions more evenly over the first few years of the policy's existence, then there should be some form of recognition and practical compensation for his labor. The agent who sells one hundred thousand dollars a year should not be admitted to a Century Club on that account exclusively, but his renewal record should be taken into consideration at the same time. It might be well to have some conspicuous way of honoring the agent who has the largest percentage of first year renewals.

Don't Sell Too Much

As the company should be careful in selecting a conscientious agent, so the agent should be careful in selecting a dead-in-earnest policyholder. But there is no doubt that there is a strong temptation to use the art of salesmanship to induce a man to do what it is not wise for him to do. We should not overload our prospects and make life insurance a burden to them. There are cases in which men are staggering under a load of life insurance which they have not the heart to surrender. No agent should use "salesmanship" to make a prospect "insurance poor." We should remember that men, even if they have families and dependents, have a right to "life, liberty and the pursuit of happiness" as much as their children have. It is not required that the father and mother should be living sacrifices from whose life is deleted every pleasure in order that they might guarantee a better time to those who will come after them. A policy should never be sold unless there is the probability that it will be kept in force until death or maturity.

When the policy has finally been placed, its leading terms and conditions should be placed before the prospect as clearly as possible so that the policyholder will know exactly what the privileges and benefits are that he is to enjoy. When the application is received and policy issued, it should be accompanied by a cordial letter from the management of the company, welcoming the new member into the fraternity of policyholders, and emphasizing the benefits that the assured will enjoy. It would be better if this communication were to go direct to the home of the policyholder rather than through the hands of the interested agent. Where a lapse is imminent, if the amount of insurance is excessive, it should be reduced so that the policyholder would be encouraged to continue even if it is for a very much smaller amount.

When the worst has happened and the policyholder has lapsed, there is still room for good work on the part of the reinstatement department. Making due allowance for the element of safety, every facility should be offered the assured for the reinstatement of his policy, the conditions being made as lenient as is consistent with sound policy. Some companies are now employing "reinstaters," who make special calls on the lapsed policyholders and try to induce them to "revive" their policies in whole or in part. This is a constructive measure of the most practical kind.

We believe that the good name of life insurance suffers more from lapsation than from all other causes combined. In our literature, in conventions, congresses and association meetings, a far greater amount of thought should be devoted to renewals.

The trouble is that the agent's income depends to too great an extent on his new business, and our commission system is at present so arranged that there is a very great inducement for placing the emphasis on first year business and allowing the renewals to take care of themselves. Conservation should play a large part in all our propaganda. The companies might get together and agree to distribute commissions on life insurance premiums over the first few years in place of giving an excessive commission for the first year, and negligible commissions for the following year. It would be an advantage to the business. The effect would soon be felt, and lapsation would become largely a thing of the past.

One Company's Losses on Forgery Insurance High

The National Surety Co., which wrote the bulk of the forgery insurance in Canada in 1922, paid the only large losses. Two of the other four companies paid small losses.

	Prem. $	Losses $
Canadian Surety	244	21
Globe Indemnity	102	3
Maryland Casualty	21	None
National Surety	15,028	5,548
United States Fidelity Guaranty	3,314	None
Totals	18,719	5,572

SPRINKLER INSURANCE

Losses Were Less Than 50 Per Cent. of Premiums Paid

Sprinkler insurance in the Dominion shows a fairly substantial premium income during 1922, with losses well below 50 per cent. Less than half the companies paying such risks paid claims.

	Premiums $	Losses $
American Exchange ...	18	None
American Lloyds	2,694	None
British and Foreign ..	286	None
Connecticut	4	None
Equitable Fire	303	None
Glens Falls	546	1,150
Great American..	571	None
Hartford Fire	37,067	9,917
Home	30.119	15.091
Individual Underwriters	1,734	1,050
Maryland Casualty	15,139	9,853
New York Reciprocal ..	519	750
Niagara Fire	192	None
Phoenix Insurance	457	None
Scottish Union	935	• 263
Security Insurance	3	None
Springfield Fire	1,031	659
Sprinklered Risk	1,180	560
Westchester	28	None
Totals	92,826	39,293

VALUE OF LIFE INSURANCE STOCK AS ON INVESTMENT

Some Companies Have Returned Shareholders Handsome Profits

FEW TRANSFERS

Large Companies Built on Small Capital—Many Stock Bonuses Have Been Distributed

While life insurance companies have experienced great expansion during the last twenty years and few men are ignorant of the nature of the contracts they sell, there is little understanding of life insurance stock outside of those actually holding it. To appreciate the peculiarities of the stock, it is necessary to know the plans followed in organizing a company.

It is usual to start with a fairly large capital, divided into $100 shares. However the stock is sold on what is known as the "call system," that is, the subscriber makes only a nominal payment, often $10 on each share, leaving himself liable for the remaining $90. In recent years, too, it has been customary to sell the stock "at a premium." In other words a $100 share is sold at, say, $115, the buyer paying (in cash or at a stated time) the $15 called premium, and the call of $10, totalling $25. The $15 is used to pay the expense of incorporation and provide a surplus for the company to start business on.

Subscriber's Liability

The subscriber is liable for the unpaid balance, but in practice he is seldom required to pay this. A number of companies have not called up any of this balance, while in some cases the subscribers have been asked for one or two additional payments. Legislation has been passed limiting any one call to 10 per cent., with 30 days notice to the stockholder.

It is into this uncalled portion of the stock that much of the companies' profits go. The shareholder is credited with a payment on his stock, this being met by the profits, and the balance unpaid is reduced by a similar amount. By following this plan, the shareholders of some companies now hold $100 shares fully paid up and with no additional liability, for which they only paid a fraction of the $100. In these cases companies are paying over 10 per cent. on the whole $100, the real return to the investor being much greater.

This brings us to the most outstanding feature of life insurance organization—large institutions, ranking in size with our chartered banks, may be built up on an extremely small capital. One of the large companies with an annual income of millions of dollars was financed by less than $250,000 of investors' money.

There are, however, many difficulties in the path of a young life insurance company. The field is one in which competition is keen. Consequently the first years of operation are marked by a struggle to attract good agents and place a good volume of insurance on the books of the company. This involves heavy expenditures and acts as a severe drain on the surplus and capital funds. This precludes any possibility of dividends in the first years of operation, which makes the stock unsuitable for many investors. Provided the business is secured at a reasonable cost and an efficient agency force is built up, the prospects of any company should be bright, especially in a country such as this, when a great increase in population may be expected in the future. If too much money is spent in this development, the company may find itself handicapped for working funds.

The record of the Canadian companies has, on the whole, been an enviable one. The men in charge of them have shown a high degree of integrity and shrewdness in investing large sums of money. As a result, failures have been avoided and prospective investors in their stock may be assured of a high degree of a safety for their money. The returns which may be expected are not so certain. Practically all the companies which have secured any substantial amount of business, have paid handsome profits. On the other hand some companies have been unable to build up a large agency force. Consequently the returns to shareholders have been disappointing and show little prospect of attractive returns, unless an aggressive campaign for agents and new business is instituted.

Market is Stable

Among stocks, there are few which move so little as those of life insurance companies. With two exceptions they are not listed on stock exchanges. The business is so different from any others that it would be difficult for the market to determine proper valuations. The fact that only part of the stock is called up would also act as a deterrent to active trading. However, there are conditions indepen-

(Continued on page 23)

CREDIT INSURANCE TAKES UP EXCESS BUSINESS LOSSES

Does Not Replace Credit Man But Prevents Danger of Too Heavy Bad Debts

TWO FIRMS WRITE

During Past Few Months Two Companies Have Been Licensed to Transact This Business in Canada

Writing of credit insurance is perhaps the most interesting development in the insurance field in Canada in the past year. Now manufacturers and jobbers can protect themselves against the risks inherent in granting credits, such as those allowed to retail merchants, just as they can insure their warehouses against fire and the stocks against theft. Two companies now write credit insurance in Canada. The National Surety Company was granted a license in January and immediately began to write policies. A strong board of Canadian directors was appointed and arrangements were made for the formation of a Canadian company. In March, the American Credit Indemnity Company was given a license by the Department of Insurance. The company had been writing a certain amount of credit insurance from its American offices before opening its Canadian offices.

It is suggestive of the possibilities for credit insurance in business when it is considered that in ten years losses from failures in the United States were $2,904,100,000 and the total fire loss for the same period was $2,492,428,170. Perhaps the same ratio would apply to Canada.

Credit insurance aims to protect the wholesaler or manufacturer against too heavy a participation in this great loss by bad debts. At the outset, let it be made clear that indiscriminate protection of every dollar lost from bad debts is not the aim of credit insurance. Were such the case credit would run wild and wreck the financial and business fabric. The merchant is not insured for the normal losses of his business; the smaller losses that he fully expects to charge up to his bad debts accounts. Credit insurance protects against losses beyond these normal risks and by deducting from a total loss a small percentage representing the wholesalers estimated profit places a check upon an unwarranted reliance upon credit insurance. Credit insurance cannot replace the credit man.

Using American Schedules

At the present time the companies writing this type of insurance in Canada are following in general the forms and policies that they have worked out in the United States and the rates of premiums charged are the same. Insurance rates in any line must be based upon experience but pending the acquiring and tabulation of this "experience" as regards Canadian credits, American practices form a satisfactory substitute. And yet some doubt is expressed as to the feasibility of continuing these schedules. Canada, while spread over a larger area than the United States, has but a fifteenth the population and this creates different business conditions that are not so favorable to the watching of credits. Moreover the famed Section 88 of the Canadian Bank Act has been found to work out to the disadvantage of Canadian manufacturers and wholesalers. Credit insurance men at first expected that the effect of this section of the bank act would be to increase their difficulties of doing business. But the announcement of the minister of finance that merchants borrowing from their bank upon the hypothecation of security would require to register at the office of the assistant receiver general came at just the right time for the credit insurance people. It will relieve the credit manager of one of his chief worries.

Trouble From Bankruptcy Laws

Another difficulty in Canada is the bankruptcy act. Most manufacturers and wholesalers feel at present that this act is too wide open; that it leaves room for the professional bankrupt and the easy bankrupt to defraud or at least "put it over" his creditors. Changes are being demanded now and probably will be granted. The bankruptcy law is a necessity, but becomes a public nuisance when the balance of favor is to the bankrupt and not to his creditors.

Credit insurance is broad in its application and policies are written for the man whose insurance premium will be but a few hundred dollars a year and the large firm that will invest thousands and whose book credits may total millions. It is an excellent development for Canada and one that will provide more elasticity to business without adding in any way to inflation. It makes not for easier credits but for safer credits; not for laxity in selling goods on terms other than cash, but for a more scientific application of sane rules.

LIVE STOCK LOSSES LOWER

Both Columns Show Material Decline Compared with 1921

Live stock insurance written in Canada in 1922 was quite a bit below 1921, but the losses were a great deal lower. The 1921 premiums were $104,505 and losses $112,871. The 1922 figures were:

	Prem. $	Losses $
General Animals	30,774	20,958
Hartford Live Stock ...	33,437	22,825
Yorkshire	23,723	16,222
Totals	87,934	60,015

BURGLARS WERE BUSY

Losses on Such Policies Nearly Half Premium Written

Claims under burglar insurance policies during 1922 were almost half the premium return. A couple of companies were hit rather bad.

The figures:

	Premium $	Losses $
Alliance Assurance ..	28,070	9,062
American Surety.. ..	5,430	4,337
Canada Accident	10,583	3,840
Canadian Surety	26,202	14,217
Casualty Co. of Can.	4,888	407
Dominion Gresham ..	47,555	28,391
Dom. of Canada Guarantee and Accident.	12,851	3,158
Employers' Liability .	43,911	14,189
Fidelity and Casualty.	38,177	41,305
Gen. Acc. Co. of Can.	24,229	4,677
Globe Indemnity	9,187	866
Guardian Insurance Co. of Canada	11,867	5,274
Hartford Accident ..	16,680	2,716
Indemnity Insurance Co. of America ..	4,558	None
Law, Union and Rock	3,962	1,729
London and Lancashire Guar. & Accident...	3,687	525
Maryland Casualty ..	76,556	72,027
National Surety	46,140	30,417
N. American Accident	3,008	2,515
Northern Assurance ..	9,950	2,320
Ocean, Accident and Guarantee	14,140	4,672
Railway Passengers..	2,939	87
Royal Indemnity	35,420	38,391
Travelers Indemnity .	142,612	19,383
United States Fidelity and Guaranty	103,474	35,709
Totals	726,076	340,214

Liability, Fidelity and Surety Abstracts

Liability

	Premium $	Losses $
Alliance Assurance ..	12,424	7,626
Canada Accident	38,923	10,266
Car and General	2,546	908
Continental Casualty..	107,834	106,318
Dominion Gresham ..	45,234	17,618
Dominion of Canada Guar. & Accident ..	7,200	2,631
Employers' Liability .	492,842	230,131
Fidelity and Casualty	7,749	—240
General Accident Co. of Canada	115,514	48,105
Globe Indemnity	170,194	119,038
Guardian Insurance Co. of Canada	37,462	17,960
Hartford Accident ...	21,959	3,043
Imperial Guarantee and Accident..	3,317	2,048
Imperial Underwriters	134	133
Indemnity Insurance .	17,153	2,321
Law, Union and Rock	23,626	9,462
London Guarantee & Accident..	84,385	38,290
London and Lancashire Guar. & Accident ..	22,560	2,519
Maryland Casualty ...	39,319	9,680
Merchants' and Employers'	141,805	59,001
Motor Union	3,395	11
N. American Accident	123,978	66,852
Northern Assurance ..	27,184	7,749
Norwich Union Fire .	33,693	13,404
Ocean Accident and Guarantee	116,259	41,075
Railway Passengers .	62,096	33,114
Royal Exchange	20,039	13,166
Royal Indemnity .. .	8,249	15,065
Scottish Metropolitan.	101,828	88,700
Sun	6,234	3,513
Travelers Insurance .	199,479	74,255
Union of Canton	99,927	31,513
United States Fidelity and Guaranty	99,697	32,683
Yorkshire	40,452	11,588
Totals..	2,334,690	1,119,546

Fidelity

	Premium $	Losses $
Alliance Assurance ..	9,564	435
American Surety	13,320	—17,504
Canada Accident	4,379	5,956
Canadian Surety	48,612	9,559
Dominion Gresham ...	14,352	8,516
Dominion of Canada Guar. & Accident ..	35,331	5,696
Employers' Liability ..	95,877	64,112
Excess	1,227	None
Fidelity Insurance ..	1,095	None
Gen. Accident of Can.	12,477	6,955
Globe Indemnity	8,362	10,950
Grain Insurance	51,752	21,442
Guarantee Company of North America	95,213	28,364
Guardian Insurance ..	6,174	2,765
Hartford Accident ..	3,013	1,283
Imperial Guarantee & Accident	35,362	10,091
Imperial Underwriters	32	None
International Fidelity.	7,088	3,229
London and Lancashire Guar. & Accident .	20,094	7,214
London Guarantee & Accident	33,808	19,216
Maryland Casualty ..	5,090	136
National Surety	48,237	50,632
Northern Assurance .	2,455	901
Ocean, Accident and Guarantee	10,488	22,541
Railway Passengers ..	15,258	1,626
Royal Indemnity	12,345	23,246
Scottish Metropolitan.	1,195	None
Sun Insurance..	749	119
United States Fidelity and Guaranty	145,776	45,035
Totals	738,725	332,545

Surety

	Premium $	Losses $
Alliance Assurance ..	8,266	19,516
American Surety	32,531	1,833
Canada Accident	22,076	11,886
Canadian Surety	80,951	4,604
Dominion Gresham ..	14,323	None
Dominion of Canada Guar. & Accident ..	17,088	15,184
Employers' Liability .	14,330	8,499
Excess	300	None
Fidelity Insurance ..	13,492	None
Gen. Accident of Can.	37,334	377
Globe Indemnity	9,715	8,568
Grain Insurance	—9,507	None
Guarantee Co. of North America	42,702	7,835
Guardian Insurance ..	8,503	4,267
Hartford Accident ..	44	None
Imperial Guarantee & Accident	8,191	3,015
Imperial Underwriters	441	None
London & Lancashire Guar. & Accident ..	31,480	17,202
London Guarantee & Accident..	113,185	33,852
Maryland Casualty ..	18,468	None
National Surety	66,437	30,092
Northern Assurance .	1,271	75
Ocean Accident and Guarantee	6,579	500
Railway Passengers ..	4,154	8,750
Royal Indemnity	10,430	1,642
Scottish Metropolitan	1,168	364
Sun Insurance	4,274	None
United States Fidelity and Guaranty	171,636	33,265
Totals	729,772	211,326
Fidelity—In Canada ..	95,213	28,364
Do. In oth. countries	164,312	51,300
Surety—In Canada ..	42,702	7,835
Do. In oth. countries	83,794	22,555
Totals	386,021	110,054

LAWS RELATING TO BENEFICIARIES ARE OF VARIED NATURE

Each Province in Dominion Has Different Classes

NOT WELL KNOWN

Common Law Definition is That Insurance is a Trust—Ordinary Care Will Avoid Trouble

With the great increase in the amount of life insurance held in Canada there is an increasing number of cases where inconvenience and real hardship arise, due to the lack of knowledge of the provisions covering the appointment of beneficiaries. Few realize the exact nature of the insurance contract. According to the common law ruling that insurance is a trust in favor of the beneficiary, and the moment it is issued it belongs to the beneficiary. However, in the United States a provision is inserted in most contracts which specifically reserves to the insurer the right to change the beneficiary. In Canada each of the provinces has enacted legislation affecting the nature of the trust and retaining for the insured the right to change the beneficiary in certain cases.

In general beneficiaries are divided into three classes; preferred, ordinary, and beneficiaries for value, although they are not always designated by those names. The first class usually includes the husband, wife, children, grand-children and mother of the insured. In New Brunswick the father, brothers, and sisters are added, whereas in Manitoba and British Columbia, the grand-children and mother are excluded. In Quebec the class is still further restricted. If the insured is a man the preferred beneficiaries are his wife, his children, and her children; of a woman, her children. In no case is an adopted child or a divorced wife a preferred beneficiary, and only in Manitoba are step-children included.

Right to Change

The insured must always appoint a beneficiary in the contract. To retain control over the insurance he may appoint his estate the beneficiary. He may then appoint any others as beneficiaries at a subsequent date, but once the appointment has been made, his right to change it depends on the class to which the beneficiary appointed belongs. If the appointment is not made in the contract it may be made by an instrument in writing, including a will. If this is not attached to the policy and a copy sent to the company it must definitely identify the policy by number or otherwise, except in the province of Ontario, Saskatchewan and Alberta, where a general declaration is sufficient, the insured's intention being regarded as the important factor.

Whenever the beneficiary belongs to the preferred class the policy is regarded as a trust, and the insured has absolutely no power in any province to change the policy for the benefit of a person outside the class without the consent of the beneficiary. This is an inflexible rule to which all must adhere strictly. However, the insured may restrict, extend, or transfer the benefits to any other person within the preferred class as he desires.

It is in the case of ordinary beneficiaries that the common law doctrine is defeated by the statutes. In all the provinces except British Columbia and Quebec the insured may revoke the appointment of an ordinary beneficiary and appoint himself, or anyone else, without the consent of the beneficiary. In British Columbia the insured has no power to transfer a benefit from an ordinary beneficiary without his consent. Thus, while a man may deprive his wife of a benefit by giving it to his child, he cannot take it from a stranger when once appointed without the latter's consent. In Quebec the right to change the beneficiary depends on whether the latter has accepted the benefit or not. Determination of what constitutes acceptance has given rise to considerable litigation, from which it is clear that the acceptance need not be formal, but it must be definite and evidenced by some action on the part of the beneficiary.

Two Beneficiaries

It is customary, where two or more persons are appointed beneficiaries, to apportion the amount each should receive. Where this is not done, it is the rule that they share equally. To this, however, there are two important exceptions. In Quebec, where the insurance is for the benefit of the wife and one or more children, the wife's share is one half, the other half being divided equally among the children. In Manitoba, in such cases, the wife's share is one third, the children sharing the other two thirds equally.

When a preferred beneficiary predeceased the insured the latter may appoint another beneficiary. In the absence of such appointment, if the predeceased beneficiary was a child of the insured his descendents take his share; otherwise the surviving beneficiaries divide it equally. If there are no surviving beneficiaries, it reverts to the insured's estate. In contrast to this, when an ordinary beneficiary dies, whether a child of the insured or not, accretion takes place in favor of the insured's estate.

So dominant is the vested rights principle in the case of preferred beneficiaries, that the insured cannot surrender or assign the policy, either absolutely or as security, without their consent except for a paid up policy. However, he may borrow on it to pay the premiums and keep it in force and he may apply the profits accruing in any manner he desires.

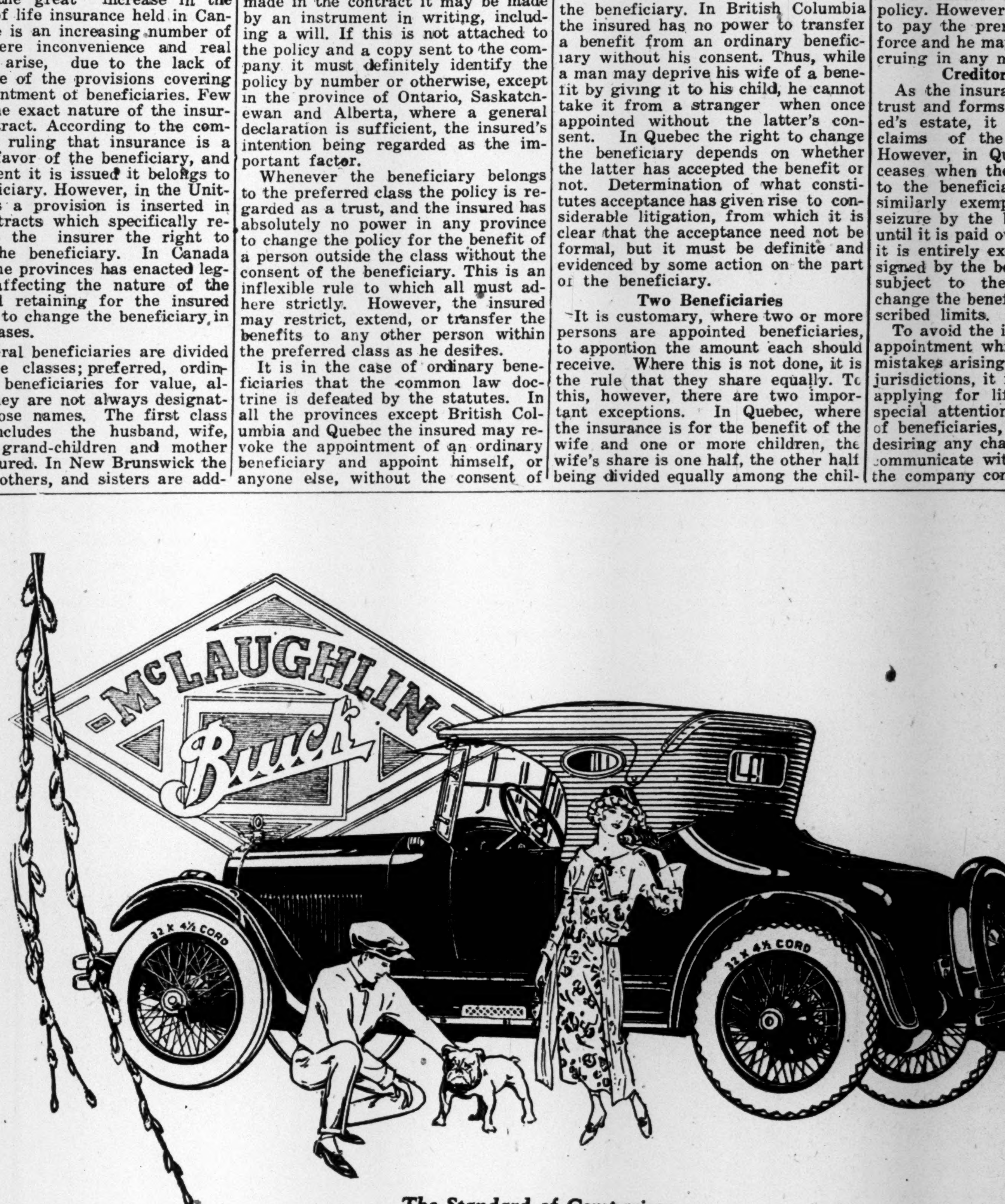
Creditor Can't Touch

As the insurance is regarded as a trust and forms no part of the insured's estate, it is exempt from the claims of the insured's creditors. However, in Quebec, this exemption ceases when the money is paid over to the beneficiaries. The money is similarly exempt in Quebec from seizure by the beneficiary's creditors until it is paid over, while in Manitoba it is entirely exempt and may be assigned by the beneficiary as security, subject to the insured's right to change the beneficiary within the prescribed limits.

To avoid the inconvenience and disappointment which may be caused by mistakes arising out of the variety of jurisdictions, it is advisable for those applying for life insurance to pay special attention to the appointment of beneficiaries, and in case of their desiring any change of beneficiary to communicate with the head office of the company concerned.

UNUSUAL FIRE OCCURRENCE HITS KITCHENER CITY

An occurrence, which fortunately is unusual in the smaller cities and towns in Ontario took place in Kitchener on the evening of March 31. About 9.30 the fire department received a call to the Joseph Building. While fighting a stubborn fire at this point a fire broke out in another part of the city. Half the fire department had to leave the former fire to help control the latter. While the possibility of such coincidence is not great, the heavy loss suffered in this case serves as a warning to proprietors not to rely too greatly on the fire department, especially in the smaller places.



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Master-Six 23-54 Special Sport Roadster $2295

In the sparkling beauty, in the lustrous coloring and in the zest it brings to motoring, the McLaughlin-Buick Sport Roadster fits the spirit of springtime.

Standard Equipment

Combination dim and full electric drum type head and cowl lamps, combination tail and stop lamp, electric instrument board lamp, trouble lamp, non-glare headlight lenses; electric motor horn, rear vision mirror, transmission lock, cowl ventilator, windshield wiper, double bar spring steel bumper; radimeter and gasoline gauges on instrument board, running board scuff plates, combination double tire carrier, extra demountable rim, walnut instrument board with recessed panel and locked compartment, walnut finishing strips on doors, portable locked tool cabinet in door, bevel plate glass windshield wings, cigar lighter.

Prices F.O.B. Oshawa—Government Tax Extra

Master Fours

23-35 Regular Touring....	$1235
23-34 Special Roadster ...	1275
23-35 Special Touring....	1295
23-36 Coupe	1645
23-37 Sedan 5 Passenger..	1950
23-38 Touring Sedan.....	1855

Master Sixes

23-41 Touring Sedan.....	$2725
23-44 Special Roadster....	1695
23-45 Special Touring	1725
23-47 Sedan 5 Passenger...	2795
23-48 Coupe 4 Passenger .	2675
23-49 Special 7 Pass. Tour.	2095
23-50 Sedan 7 Passenger ..	3095
23-54 Special Sport Roadster	2295
23-55 Special Sport Touring	2375

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M-2023

Certainty of Income With Safety of Principal Are All-Important in Investing Insurance Funds

Law Says in Calculating Reserves Companies Must Assume 3½% Rate

BENEFITS HOLDER

Companies Could Operate Without Investment Profits But Rates Would be Higher

By J. B. McKECHNIE,
General Manager of Manufacturers' Life Insurance Company.

Safety of principal, coupled with certainty of income, is a fundamental principle underlying the investment of all funds, and, of course, applies to the investment of life insurance funds. The highest practicable rate of interest consistent with safety is another fundamental principle. According to the Insurance Act, life insurance companies, in calculating the reserves on their policies, must assume that their funds will earn 3½ per cent. interest. It should be borne in mind, however, that, while it is thus necessary to earn 3½ per cent., it is desirable for a company to earn a greater rate, if this can be done with safety, for the excess earnings will represent a surplus, which, in the case of participating insurance, will be returned to the insured, thus lowering the cost of his insurance.

Thus, taking the average age of the insured to be 35, the effect of a company earning an extra 1 per cent. on its funds would be to reduce the premiums, roughly, by about 10 per cent. It is interesting to note, however, that life insurance could be conducted even though no interest were earned on the funds, although the premiums would be much higher than are now charged. The following table shows the net premiums at age 35 for two plans of insurance at various rates of interest.

Rate of Interest	Ordinary Life	20-Year Endowment
0 %	$31.39	$55.17
2½%	22.81	43.92
3½%	20.39	40.20
4½%	18.35	36.75

Diversification

Diversity in investments may also be given as a general principle to be followed, i.e., it is not generally advisable to put too large a proportion of your funds into a particular security, or even into one class of security. This diversification may be given effect to in two ways:—(1) as to the character of the investment, and (2) as to the field of investment. Marketability is often considered to be a sound principle, but to some extent this does not apply to the investment of life insurance funds. The income of nearly all the life insurances companies exceeds the outgo, and as this outgo can be gauged with considerable accuracy, there is not particular need in investing in securities which have a ready market. Moreover, securities without a ready market are often unsuited for private individuals and trustees, and consequently command a higher rate of interest. It may be considered then, as far as life insurance investments are concerned, that a small portion of the funds might be invested in readily convertible securities, but the remainder can be invested in securities not necessarily having a ready market.

Stability of Price

Stability of market price has been given as a fundamental principle of investment. This is something, however, which is rather difficult to obtain, for one has only to refer to the wide range of market prices of the highest classes of bonds during the last seven or eight years. In some respects, stability of market price is an important feature as far as Canadian life insurance companies' investments go, in view of the fact that, under the present regulations of the Insurance Department, the companies have to enter all their bonds in their Balance Sheets at market values, in spite of the fact that their reserves are maintained at a fixed rate of interest. This often causes wide fluctuations in the surpluses of the companies, which in the minds of many is not only undesirable, but unnecessary.

As a life insurance company has usually no obligations to meet which cannot be taken care of by its annual income, it is not necessary for it to buy short term securities, and in practice it will be found that the bulk of the bonds owned by the life insurance companies are for comparatively long periods. The perfection of investing, of course, is to buy long term securities when prices are low, and to buy short term securities, or lend on mortgage, when prices are high. But prices are "high" or "low" in a comparative sense only, and it is difficult to tell when prices have reached either of these stages. However, it is quite possible for the investor to follow this principle to some extent.

Taxable Bonds

The provisions of the Dominion Income Tax Act do not apply to life insurance companies, except to the income of Shareholders' Fund, which, of course, forms a very small part of the total funds of the company. Hence, there is little to be gained by a Canadian life insurance company holding or purchasing tax free Victory Bonds. The relation at the present time between tax free and taxable Victory Bonds is shown as follows:

	Market Value	Yield
Taxable, due 1934, 5½%	103	5.16%
Tax free, due 1933 5½%	106	4.79%

Another sound principle is to periodically review the securities held, not only to enquire into their intrinsic merit, but to see whether some interchange might not be made. It may be found that some particular bonds have obtained a much enhanced value for some particular reason, and it might be advisable to exchange them for some other yielding a higher rate of interest.

Much Debated Point

The principle that life insurance investments should be made, as far as possible, to aid in the production of new insurance is one which has been very much debated. Usually this question arises in regard to mortgage loans. Some companies have followed the principle that in connection with as many of their mortgage loans as possible life insurance policies be obtained, while other companies absolutely separate the life department from the investment department. There are a number of arguments which might be given on both sides of the question, but the main one in favor of the former practice is that after all the company is a life insurance company and if it can through its investment department increase the volume of new business it should do so. The main argument on the other side is that investments should be considered strictly on their merits, and the decision to make a particular investment should not be influenced in any way by the question of new business.

The final principle which I would give is that one should not consider the gross return on an investment, but the net return, in deciding the classes of securities to be invested in. Certain investments, such as mortgage loans, entail a greater expense than do bonds, and, while the former will usually show a greater gross return, a comparison of the two classes should be made on the basis of net return.

Insurance Investments in Practice

As an evidence of the growth which Canadian life insurance companies have had during the past forty years, the following table is given, showing the growth by decennial periods. Owing to slight changes in the method of compilation of the returns in the Reports of the Insurance Department book values have been used in certain years, while market values have been used in others. The differences thus caused are comparatively small. I am indebted to the Superintendent of Insurance of Canada for furnishing me with the figures relating to the year 1922, which, however, are subject to possible slight changes.

Dec. 31st	Companies	Assets
1882	9	$ 7,787,202
1892	13	25,993,446
1902	20	73,520,381
1912	27	211,632,875
1922	25	551,814,703

1914 and 1922

The following table shows the Assets at December 31st, 1914, and 1922, subdivided into various classes, and the percentages of each class to the total. The year 1914 has been chosen to compare with the year 1922, in order to illustrate the changes which occurred in the investments of the companies occasioned by war financing.

Class	Amount at Dec. 31,1914	%	Amount at Dec. 31, 1922	%
Real Est.	$12,773,617	4.95	$19,455,390	3.53
(Loans)				
Mortgage	94,765,472	36.76	139,566,030	25.29
Collateral	2,132,153	.83	2,494,227	.45
Policy	36,204,417	14.04	77,798,470	14.10
Bonds	77,436,286	30.03	247,339,451	44.82
Stocks	17,445,625	6.77	29,888,799	5.42
Cash	4,163,749	1.62	5,028,483	.91
Interest	5,839,839	2.26	13,770,488	2.50
Premiums	6,776,990	2.63	15,581,288	2.82
Other assets	288,791	.11	892,137	.16
Total	257,826,939	100.00	551,814.703	100.00

The main feature in the above table, apart from the evidence of growth shown therein, is the large decrease in the percentage of "Mortgage Loans" and the still greater increase in the percentage of "Bonds." These changes were mainly due to the large issues of Dominion Government bonds issued during and after the war. It is estimated that the subscriptions to the several Canadian Government loans by the Canadian life insurance companies and the Canadian branches of outside life insurance companies totalled $235,114,150, of which $182,538,530 was allotted. For several years practically the whole of the surplus funds of the companies was placed in these bonds. Subdividing the bonds held at December 31st, 1914 and 1921, into "Government," "Municipal" and "Sundry," it is found that Government Bonds held increased from 2.44 per cent. to 36.60 per cent., Municipal Bonds decreased from 40.00 per cent. to 31.83 per cent., and Sundry Bonds from 57.49 per cent. to 31.54 per cent.

Variety in Investments

That different policies of investment are followed by different companies is evidenced by the fact that at December 31st, 1914, one company had 69.55 of its total assets in mortgages and 1.88 per cent. in bonds, while another company had no mortgages and 56.65 per cent. in bonds. At December 31st, 1921, there was still a wide difference, one company having 50.67 per cent. in mortgages and 24.52 per cent. in bonds, while another company had no mortgages and 72.97 per cent. in bonds. Another company at December 31st, 1921, held 14.23 per cent. of its assets in stocks, while other companies held much lower percentages, one holding no stocks at all.

Interest Rates of Life Insurance Companies

In the Annual Report to the Insurance Department the companies are asked to give the rate of interest earned during the year. Below is given a table showing the interest rates, calculated for various years since 1881.

Year	%	Year	%
1881	6.91	1900	4.49
1886	6.23	1901	4.53
1891	5.50	1906	4.98
1896	4.70	1911	5.73
1898	4.56	1916	6.24
1899	4.47	1921	6.41

The Immigration Riddle

A committee sits to inquire into agricultural conditions, and many alarming facts are brought into view. Says a Saskatchewan Progressive member of parliament: "I hate to have to more or less blacklist my province; my whole worldly possessions are in it and I would prefer to boost its credit, but conditions are such on the farms that it is high time the facts were stated and faced. Farming is not breaking even in the West except when the year's balance sheet shows funds deducted from savings to meet the deficit. And yet they talk about immigration!"

Pressed as to the solution he replied: "The standard of living in the cities is too high. It must come down. Automobiles must be given up in favor of street car transportation, fur coats exchanged for sack cloth and ashes. Then the wages demanded by the city dwellers so that they can pay for their present luxuries can be reduced, and the buck no longer passed to the farmer to foot the final bill."

"Certainly we don't want immigrants in the West," says one member. "If we old timers can't farm profitably, why arrange at some expense to bring in new settlers to harvest a crop of debts? Half the battle of getting immigrants is holding them once you get them and the West won't hold them if they cannot make farming pay; the United States would reap the benefit."

Labor, too, says: "We don't want immigration. With present unemployment and possible wage cuts, we do not want immigration."

Wherein lies the solution of the riddle of immigration? The problem is closely tied up with agricultural and labor conditions. Let us go back to the farmer member quoted in the first paragraph who says that the difficulty can be solved if the cost of living in the cities comes down. The wage earner's standard of living is still based on war prosperity and the labor unions demand that wages reach this standard. The farmer pays more than he can afford at present to pay for commodities.

To come right to the point the writer believes that the key to the situation was given in a recent issue of THE FINANCIAL POST when it was said that the inflated industrial dollar must come down, which will mean that the deflated dollar of the farmer will go up and a better balance will be restored. This can be brought about by industrial immigration without materially affecting the standard of living of the wage earner, for if the coming in of industrial immigrants means a wage cut to industrial workers this means cheaper commodities for all. As far as the wage earner is concerned the standard of living would not be changed but merely the wage proportion which is reflected in cheaper commodities. Most important the farmer's dollar would then buy more.

"That would be a dangerous doctrine for me to state on the floor of the House," said an Eastern member, "if I am to consider the Labor vote in my constituency., My suggesting industrial immigration, would be political suicide."

It might be political suicide if a wage cut through greater labor supply were alone suggested, but if it be further pointed out that this means in turn cheaper commodities and thus no change in living standards for the worker then Labor must be frank enough to admit this obvious logic. If it does and welcomes the industrial immigrant then Canada is on a fair way to stable progress. If it does not it will learn by bitter experience that it cannot sell to people who cannot buy, which is the position of many of the greater agricultural buying classes to-day. That would mean a reversal of progress and a change of Labor's standards of living whether it likes it or not.

There is something to be said in favor of agricultural immigration despite the gloomy picture of Canadian farming conditions. It must be borne in mind that the types of rugged immigrants that are prepared to come to Canada are ready to pioneer under difficult conditions even as some present members of the House of Commons have done; through privation, cold and every hardship, yet have made good.

We can agree with another Eastern member that Canadian conditions, despite present difficulties, are excellent compared with those of many other countries; that it is yet the land of opportunity for those who have vision, the willingness to toil and the grit to see things through. In many cases the immigrant will be coming from conditions must less favorable in his own country than he will find here even if he mets with initial privation. If he has the stuff of which real men are made he and his helpmate will reap the reward of labor.

Says another member: "Can we not restore the needed balance between the industrial dollar and the agricultural dollar by simply reducing the labor wage and thus bring a return to better prosperity without immigration?" This, of course, can be done but Canada wants and needs not only prosperity but progress, and progress will come with the assimilation of additional peoples. This means not only more producers for Canada but consumers as well.—M. C.

Theatres Good Burglary Insurance Prospects

All moving picture theatres carry a substantial amount of safe burglary and hold-up insurance. If Saturday or Monday happens to be a holiday, a large amount of cash is kept on hand covering the three days' box office receipts. The box office receipts are always larger on Saturday, Sunday and holidays. A theater in Kansas City, that normally has receipts of $1,000 a day, on Friday, Saturday and Sunday, which included a holiday, accumulated something over $8,000 of which they were robbed. They had insurance for $1,000. They really paid a premium, therefore, of $7,000 for that protection.

TIRES AGAIN ADVANCE

The second 5 per cent. advance on the price of automobile tires has just taken place. The first was announced about a month ago.

Steps are being taken to cancel agreement by which Rand mines are obliged to market gold exclusively through Bank of England. Advantage will be taken of occasional higher premiums offered in New York, India and elsewhere.

Moseley - Williams
"The Insurance Man"
FIRE, LIFE, HEALTH & ACCIDENT, AUTO, etc.
Offices at:
Kirkland Lake and New Liskeard

If Your Partner Dies

DO YOU know who your partner will be when your present partner dies? Will his share of the business be acquired by someone who will want to withdraw his capital? And would such withdrawal affect your position? It might even wreck the business.

Partners can avoid the business calamity consequent on either's death by adequate insurance in the Excelsior Life Assurance Company. Write to-day giving the ages of yourself and partner and we will quote rates and advise as to the right type of policy.

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INCORPORATED A.D. 1833
British America Assurance Co.
FIRE, MARINE, AUTOMOBILE, RIOTS, STRIKES AND CIVIL COMMOTION INSURANCE
Assets over - - - - - - - $3,600,000.00
Losses paid since Organization in 1833 over - $50,000,000.00
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A good NON-TARIFF Canadian Company
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THE WAWANESA MUTUAL INSURANCE COMPANY

Head Office - Wawanesa, Manitoba

Balance Sheet for the Year Ending December 31st, 1922

Receipts and Expenditures for Year Ending December 31, 1922

RECEIPTS

Cash on hand Dec. 31, 1921		$ 1,760.78
Cash in Union Bank, Dec. 31, 1921		86,463.06
Premiums	$ 81,454.87	
Assessments	285,202.93	
Interest	17,469.81	
Policy Fees for Agents	819.15	
		384,946.76
Total Receipts		$473,170.60

EXPENDITURES

Losses paid 1920 and 1921	$ 52,186.51	
1921 Losses paid in 1922	$ 52,186.51	
1922 Losses paid 1922	229,434.73	
		$281,621.24
Rebates		3,680.54
Re-insurance		244.34
Salaries		38,308.83
Agent's Commis. and Bonus		49,933.51
Fire Inspection and Adjusting		10,167.64
Printing and Stationery		6,112.45
Postage		6,181.92
Advertising		2,793.49
Directors' Fees		1,259.65
Travelling Expenses		2,958.59
Fuel and Light		582.22
Audit 1921		900.00
Audit 1922		678.00
Legal Expenses		1,115.19
Freight and Express		174.38
Telephone and Telegraph		363.43
Taxes		3,879.14
Commission on Collections		912.35
Office Insurance Premiums		142.31
Caretaking, Cleaning and Repairs		308.56
Licenses		115.00
War Tax Stamps		467.86
Bank Exchange		658.94
Sundry Expenses		319.55
Furniture		1,173.61
Cash on hand Dec. 31, 1922		6,986.59
Cash in Union Bank, Dec. 31, 1922		50,631.27
		$473,170.60

Statement of Assets and Liabilities as at December 31, 1922

ASSETS

Premium Notes unassessed		$1,353,647.97
Assessments unpaid 1921		31,448.72
(All Assessments prior to 1921 written off)		
Office Furniture and Lots		16,763.91
Office Furniture	$5,518.59	
Less Depreciation	462 85	
		5,055.74
Premiums in Agents Hands		1,337.89
Victory Loan Bonds		304,000.00
Province of Sask. Bonds		10,500.00
Province of Alberta Bonds		15,750.00
Accrued Interest		8,121.89
Cash in Bank Dec. 31, 1922		50,631.27
Cash on hand Dec. 31, 1922		6,986.59
		$1,873,316.72

LIABILITIES

Reserve for unearned Premiums	$ 123,261.06
Commissions due to agents for last quarter	9,201.66
Losses not adjusted, estimated	25,835.04
Assessments 1922 returned	740.98
Surplus to Policy Holders	1,714,277.98
	$1,873,316.72

Policies in force December 31st, 1922	44,662
Insurance written in 1922	$39,628,960
Increase for the year	6,512,173
Total insurance in force	$105,190,172

Certified correctly shown. I would especially refer to $52,186.51 of 1921 losses paid in 1922 which should have appeared as a liability in 1921 balance sheet. All liabilities are shown above.

Yours respectfully,
C. D. CORBOULD, C.A.

February 9th, 1923.

MEETING YOU HALF WAY

7 YEAR TERM

Age	Premium For $5000
20	$34.10
25	36.55
30	40.35
35	46.35
40	55.75
45	70.35
50	93.10
55	128.35

Policies on this plan are payable in event of death before the expiry of 7 years.

Before expiry, policy is convertible into regular Life or Endowment insurance without medical re-examination.

Sign........ Age .... Name ....
.... Street .... City ....
and send to Head Office for further particulars.

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Abstract of Fire Insurance Written in Canada Last Year

Canadian Fire Insurance Companies

Companies	Net Premiums Written $	Gross Premiums Written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses during year $
Acadia Fire	235,663	505,910	39,331,803	26,859,858	183,609
Antigonish Farmers	2,907	2,907	267,768	777,368	2,733
Beaver Fire	34,684	136,417	9,555,148	5,843,044	10,117
British America	611,837	1,142,888	130,655,133	105,822,689	441,079
British Colonial	29,692	388,760	33,642,773	29,211,237	195,122
British Northwestern	169,959	293,746	26,156,153	21,955,221	98,758
Canada Accident & Fire	138,119	314,081	29,983,610	14,227,215	73,785
Canada National	193,228	361,929	27,474,986	29,753,943	95,357
Canada Security	93,274	256,205	17,516,871	11,537,711	76,248
Canadian Fire	353,120	700,616	51,563,824	50,026,112	159,570
Canadian Indemnity	112,023	177,964	11,815,458	12,245,866	83,498
Canadian Lumbermen's	175	28,373	1,160,425	None	None
Cumberland Farmers	1,812	1,817	180,975	556,775	518
Dominion Fire	371,799	669,361	54,822,506	73,363,832	320,183
Dominion Gresham	17,307	22,840	1,896,106	1,468,516	143
Dom. Guar. and Acc.	109,045	194,075	20,751,974	26,209,748	36,886
Ensign Fire	18,849	38,400	3,398,151	1,653,042	4,019
Fire Ins. Co. of Canada	255,727	540,072	49,019,709	29,495,091	133,630
Gen. Accident of Canada	57,090	124,707	10,761,444	8,387,825	22,192
Globe Indemnity	153,608	372,370	37,552,744	29,246,629	70,999
Grain Insurance	221,069	242,694	21,266,475	11,502,487	170,620
Guardian Ins. of Canada	71,089	236,439	21,182,221	6,815,862	32,806
Halifax Fire	38,538	65,277	4,666,190	4,586,443	21,550
Hudson Bay	181,214	334,666	26,715,206	24,337,471	103,090
Imperial Underwriters	156,864	370,614	35,837,896	23,536,614	105,335
Kings Mutual	22,366	23,369	2,242,240	6,224,226	18,244
Liverpool-Manitoba	250,987	510,302	44,787,187	38,822,384	155,786
London and Lancashire	None	815	58,913	None	None
London Mutual	234,644	692,566	64,431,741	57,304,841	251,405
Mercantile	159,309	334,487	33,281,554	28,879,523	123,093
Mount Royal	741,938	1,851,155	109,347,369	101,504,903	413,687
Mutual Fire	13,603	14,297	846,727	1,335,325	15,187
North Empire	159,064	362,406	29,511,576	17,910,995	158,805
North West	162,738	271,550	23,840,635	21,194,935	118,424
Occidental	275,264	559,925	39,829,075	31,142,271	174,472
Pacific Coast	175,818	339,723	33,859,886	24,429,515	91,706
Pacific Marine	—16,573	4,919	271,980	None	11,699
Pictou County Farmers	4,829	4,306	565,650	1,722,683	3,392
Quebec	143,539	421,369	39,157,687	31,541,032	90,367
Reliance	22,379	63,756	5,707,651	2,942,520	6,944
Scottish Canadian	68,531	185,419	13,715,994	7,343,048	33,695
Western	681,051	1,491,419	250,544,725	119,097,342	576,886
Totals for 1922	6,727,639	14,154,911	1,359,176,139	1,041,816,144	4,685,639
Totals for 1921	7,374,791	14,937,898	1,248,030,808	1,039,379,919	4,100,205

British Companies, Canadian Business

Companies	Net Premiums Written $	Gross Premiums Written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses during year $
Alliance	394,629	438,822	41,965,523	58,544,272	296,578
Atlas	805,685	1,020,552	88,093,848	105,983,657	662,414
Autocar	119,008	137,745	12,280,960	9,822,752	27,494
British Crown	492,553	701,377	54,008,756	55,777,734	359,772
British General	114,591	180,067	19,422,301	15,057,335	59,969
British Oak	169,597	213,011	18,036,766	15,794,931	74,818
British Traders	243,187	302,866	26,774,711	26,841,116	206,938
Caledonian	452,000	629,754	58,712,152	74,396,808	400,434
Car and General	212,167	310,235	35,670,346	22,833,989	83,248
Century	290,749	406,704	39,812,851	36,162,035	192,894
China	5,272	10,138	691,949	692,454	2,554
Commercial Union	952,638	1,243,024	137,412,548	145,394,197	722,233
Cornhill	50,007	53,479	5,581,809	5,065,269	2,545
Eagle, Star & Brit. Dom.	433,495	595,762	67,179,512	52,714,036	326,680
Employers' Liability	700,730	922,232	91,326,432	100,220,764	518,777
Essex and Suffolk	92,675	242,102	21,775,757	10,763,370	64,246
General Accident, Fire	388,430	466,278	51,285,295	51,146,721	199,290
Guardian Assurance	1,588,450	1,869,634	154,556,932	186,416,477	1,472,898
Law, Union and Rock	347,197	432,689	42,482,364	48,841,024	165,471
Liverpool & Lon. & Globe	1,463,103	1,798,769	158,659,278	204,600,157	900,135
London Guar. and Acc.	399,115	614,468	56,902,982	53,385,447	404,040
London and Lanc. Ins.	1,353,988	1,606,828	160,961,860	180,537,091	811,967
London Assurance	548,575	635,838	59,584,287	78,858,387	289,133
Merchants Marine	154,309	224,933	24,958,227	19,295,802	66,983
Motor Union	126,674	155,662	17,132,680	13,661,529	62,325
National Provincial Ins.	118,630	165,444	17,655,320	12,583,707	38,512
North Brit. & Mercantile	1,110,364	1,423,368	131,074,011	161,801,665	869,198
Northern Assurance	1,018,178	1,220,995	105,981,645	131,088,137	893,344
Norwich Union Fire	1,102,638	1,360,153	117,548,672	147,052,909	763,295
Ocean. Accident & Guar.	307,072	390,486	35,124,905	41,384,440	205,187
Palatine	398,227	526,330	46,943,420	50,169,117	342,208
Patriotic	82,531	101,615	10,690,863	8,198,760	30,928
Phoenix of London	1,216,611	1,641,389	146,789,282	158,460,100	820,017
Provincial	209,424	247,560	23,126,901	26,068,805	131,650
Queensland	281,554	335,910	30,532,340	30,509,594	188,037
Royal Exchange	590,696	826,871	81,791,271	90,536,895	334,495
Royal Insurance	1,886,929	2,329,119	234,215,198	298,330,842	1,182,095
Royal Scottish	209,189	272,504	24,928,309	24,113,980	141,280
Scottish Metropolitan	197,500	237,916	20,644,789	23,462,884	100,031
Scottish Union	399,898	464,681	46,853,920	65,309,976	203,837
Sun Insurance	893,942	1,085,256	93,908,335	111,739,904	622,302
Traders and General	—83,445	41,212	None	None	11,393
Union Assurance	698,021	916,220	98,864,351	98,115,805	587,066
Union of Canton	523,512	660,646	61,462,550	62,278,051	441,654
United British	63,630	74,434	7,880,509	6,360,307	8,982
Yangtsze	55,735	72,571	10,290,721	6,253,505	22,057
Yorkshire	471,526	595,320	48,681,469	68,228,409	602,857
Totals for 1922	23,651,186	30,202,969	2,840,258,907	3,194,856,146	16,914,261
Totals for 1921	23,412,312	30,022,598	2,734,181,393	3,039,086,570	13,171,415

Foreign Companies Business in Canada

Companies	Net Premiums Written $	Gross Premiums Written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses during year $
Ætna	514,481	649,981	66,660,561	69,313,324	285,363
Agricultural	72,452	110,514	11,165,773	8,030,018	44,941
Alliance Insurance	161,890	207,389	21,275,285	21,380,356	89,631
American Alliance	6,844	23,012	1,624,165	583,873	5,894
American Central	251,409	314,131	32,701,717	32,719,061	164,835
American Equitable	146,068	175,268	15,597,474	13,892,611	88,497
American Exchange	23,820	25,477	5,728,050	5,628,050	837
Amer. Fire Ins. Co. of N.Y.	54,155	54,155	9,750,000	9,750,000	None
American Insurance	82,829	134,256	11,545,998	7,733,928	33,202
American Lloyds	42,356	48,426	7,385,040	6,214,790	9,317
Baloise	46,803	61,025	2,231,301	1,781,836	33,493
Boston	95,222	168,820	13,149,375	8,835,338	75,042
Caledonian-American	58,739	118,416	10,467,625	9,048,842	44,080
California	111,134	142,026	13,106,816	12,648,299	51,749
Citizens of Missouri	31,699	41,435	2,780,866	2,664,925	19,475
Columbia	121,391	195,270	17,448,895	11,555,736	87,421
Commercial Union of N.Y.	6,640	17,096	1,165,132	893,477	2,711
Connecticut	206,536	319,777	31,792,713	24,864,358	106,188
Continental	495,039	685,025	64,561,275	56,652,279	271,453
Equit. Fire and Marine	52,323	238,123	26,316,160	7,166,971	25,271
Fidelity-Phenix	437,094	579,587	54,984,150	55,275,926	224,066
Fire Ass'n of Philadelphia	70,664	103,211	8,125,851	6,218,590	36,775
Fire Reassurance	54,155	54,155	9,750,000	9,750,000	None
Fireman's Fund	183,273	253,166	27,035,685	27,627,018	196,753
Firemen's Insurance	96,336	110,985	9,225,471	14,958,851	26,384
General of Paris	128,661	187,311	19,323,221	17,003,418	70,007
Girard	23,489	32,816	2,863,042	3,233,968	4,635
Glens Falls	214,850	344,450	32,400,301	23,610,150	151,599
Globe and Rutgers	811,792	1,017,834	115,758,364	93,565,769	835,472
Grain Dealers	8,018	12,888	629,750	544,690	6,950
Great American	505,718	721,730	70,990,008	67,314,511	381,946
Hardware Dealers	105,784	125,361	5,112,072	4,276,673	44,043
Hartford Fire	1,756,183	2,077,223	201,387,923	245,885,418	1,027,438
Home Insurance	1,815,772	2,270,053	189,472,443	210,138,667	1,442,083
Imperial Assurance	2,012	2,471	302,462	241,022	None
Individual Underwriters	50,695	104,902	25,938,499	24,052,479	9,669
Ins. Co. of North Amer.	906,449	1,096,947	121,683,321	118,150,781	464,036
Ins. Co. of State of Penn.	128,333	158,955	16,887,035	16,145,580	66,537
Lumbermen's Indem. Ex.	164,682	242,339	10,242,289	6,836,538	185,914
L'b'rmen's Underwrit. Al.	284,373	363,279	20,384,013	15,245,474	165,628
Lumber Underwriters	53,768	88,356	4,509,169	2,196,819	61,646
Manufacturing L'b'rm'n's	191,977	251,631	13,692,391	10,009,705	97,377
Mechanics and Traders	18,736	28,901	1,200,431	903,074	15,555
Merchants Fire	164,486	188,734	18,251,790	15,936,915	102,622
Millers National	49,294	76,304	6,305,995	5,162,736	28,849
Minnesota Implement	105,784	125,361	5,112,072	4,276,673	44,043
National—Ben Franklin	170,353	204,255	16,960,072	24,114,281	83,303
Nat. Fire of Hartford	701,660	922,602	75,457,603	76,137,680	384,196
National Union	203,776	293,669	25,897,649	25,053,750	172,623
La Nationale	569,031	750,790	63,594,102	69,669,553	328,136
Newark	108,177	194,806	16,758,925	13,550,747	84,709
New Hampshire	137,062	211,460	19,628,800	12,815,734	92,548
New Jersey	46,931	74,184	6,676,913	6,333,166	35,083
New York Reciprocal	8,720	87,652	26,307,012	23,931,012	8,810
Niagara	313,351	521,362	52,147,662	38,530,505	180,198
Northwestern Mutual	591,155	742,629	36,308,000	21,780,999	263,664
Northwestern National	325,263	367,716	29,608,260	41,427,398	139,148
Pacific Fire	78,288	90,691	10,059,585	8,443,112	45,340
Phenix of Paris	159,516	237,552	23,316,324	21,138,107	120,602
Phoenix of Hartford	398,123	708,499	67,453,956	59,057,286	223,678
Providence Washington	231,502	308,751	33,258,033	27,656,900	138,710
Queen of America	740,275	917,243	81,929,916	102,739,039	526,481
Retail Hardware	105,784	125,361	5,112 072	4,276,673	44,043
Rossia Ins. Co. of Amer.	108,311	108,311	19,500,000	19,500,000	None
St. Paul Fire and Marine	366,291	519,042	55,295,183	48,405,441	227,103
Security	82,053	122,041	11,291,618	6,737,829	44,138
Springfield	388,579	607,131	65,606,055	50,910,619	265,399
Sprinklered Risk	15,052	24,697	6,146,800	6,146,800	2,337
Sterling	68,875	213,522	28,265,020	8,083,097	37,246
Stuyvesant	121,501	155,399	13,803,856	11,386,019	76,775
Tokio	77,610	102,374	10,646,044	9,117,200	75,115
L'Union of Paris	305,866	373,310	31,912,854	41,961,547	234,427
United States Fire	130,557	181,720	23,026,888	19,330,908	75,945
Vulcan	—5,224	60,770	8,848,101	None	34,057
Westchester	242,773	386,002	36,290,355	26,587,287	154,217
Totals for 1922	17,705,419	23,962,113	2,259,129,627	2,134,742,206	11,227,459
Totals for 1921	16,525,461	23,031,690	2,157,262,392	1,942,047,343	10,300,940

RECAPITULATION

Canadian Companies	6,727,639	14,154,911	1,359,176,139	1,041,816,144	4,685,639
British Companies	23,651,186	30,202,969	2,840,258,907	3,194,856,146	16,914,261
Foreign Companies	17,705,419	23,962,113	2,259,129,627	2,134,742,206	11,227,459
Totals for 1922	48,084,244	68,319,993	6,458,564,673	6,371,414,496	32,827,359
Totals for 1921	47,312,564	67,992,186	6,139,474,593	6,020,513,832	27,572,560

VOICE AND SPEECH VITAL FACTORS IN SALE OF INSURANCE

Suggestions Are Advanced for Guidance of Salesmen

CULTIVATION URGED

Direct Appeal to Mind of Prospect is All That Agent Has to Display

By PROF. F. H. KIRKPATRICK.

The selling of life insurance is a very high order of salesmanship on account of the altruistic purpose in insurance and since the insurance salesman has no wares to show but makes a direct appeal with his proposition to the mind of the prospect.

The chief factor in the actual selling of insurance is the personality of the salesman. The vast majority of prospects are not in a position to appraise the relative merits of insurance policies. They possess neither an actuarial education nor a knowledge of the technique of insurance nor are they interested in the standings of the different companies. They know that all insurance companies and their operations are carefully supervised by the government and that, consequently, the insured are amply protected.

Then what is it that sells life insurance? The personality of the insurance salesmen. Surely it is desirable that this personality shall be in the highest degree effective.

The chief instrument in the personality of the salesman for the communication of his proposition is the voice. The voice is the chief agent in the communication of ideas under all circumstances; therefore, it is most essential that this shall be entirely adequate.: Innumerable distinguished men have attested to the supreme and practical value of a good voice. Let me select the testimony of one of America's most scholarly men, former President Andrew D. White of Cornell University. He made this statement: "A fine, strong, pleasing voice is one of the best factors for success both in and after college."

A disagreeable voice, i.e., a harsh, shrill, guttural or nasal voice, is a deformed voice, a crippled voice. It is quite as incapable of functioning wtih complete effectiveness vocally as a crippled body is physically. We all know how irritating a glaring light is to the eye. A harsh, strident or nasal tone is just as irritating to the ear of the prospect as the glaring light is to his eye. The result is, if the prospect is irritated, he is antagonized, or to say the least, not attracted to the salesman and his proposition, when it is in the highest degree desirable that he shall be favorably disposed toward them. In other words, the prospect has been prejudiced at the start against the personality of the salesman, and the personality of the salesman, as has been indicated above, is of the greatest importance in the selling of insurance. Thus vocal defects may mean the loss of sales. In any case, why should the insurance salesman permit himself to labor under a handicap? Insurance salesmanship is carried on under conditions of keen competition. Surely it is essential that the agent shall eliminate, if possible, everything that interferes with his chances of success.

The voice is breath vocalized. This is a rather naive definition but it will serve the purpose. If the voice is breath vocalized, then it follows that to secure control of the voice it is necessary to develop breath control. This, again, will require the proper placing of breath. But the breath cannot be properly placed unless the body is normal. The chief factor in the normalizing of the body is the development of the vital centre of the body i.e., the chest.

Control of Voice

Then to secure control of the voice it is necessary to establish the following conditions:

Develop the chest.

Place the breath, i.e., breathe to the diaphragm, the muscle that separates the lung cavity from the abdominal cavity. A breath so taken will cause the diaphragm to expand downward and outward.

Develop the strength of the diaphragm. This can only be done as you strengthen any other muscle, i.e., by using it. A good exercise to develop this essential strength is to breathe in while you count five; hold the breath while you count five and exhale while you count five. Do the same while you count six, seven, eight, etc.

Develop flexibility of the diaphragm. This can be done by breathing in and out with varying degrees of rapidity.

Under all circumstances preserve relaxation of the throat muscles in taking the above exercises and thus permit the breath and eventually the tone to stream through a free and passive throat. Avoid throat strain and tension. From the breath conditions developed by the practice of the above exercises "all (vocal) blessings flow."

I shall now consider the two phases of prevalent faults of vocal expression: Faults in voice production and faults in speech.

Faults in Voice Production

An agent ambles up to his prospect, his body is bent, his head low, his shoulders droop, his lungs hold hardly enough air for speech, and his muscles are lax and inert. He speaks without force or energy of tone. The whole effect of the statement of his proposition is weak, flabby and unconvincing. What shall he do? Hold up his head. Expand his chest. Take plenty of breath to his diaphragm. Speak in a clear firm tone. If he will stand up and speak up, he will in all likelihood lead his prospect to sign up.

Another addresses his prospect in a harsh,strained tone or a high pitched, shrill, strident tone. If such a one will breathe deeply to the diaphragm and thus control his breath at the diaphragm and relax his throat muscles during speech, his voice will lose its harshness and drop to the desirable speaking pitch.

Another presents his proposition in a flat, guttural voice. This is a highly objectionable fault and may be relieved by establishing the conditions advised in paragraphs 1 and 2 and prolonging the sound of "o." The formation of the mouth and position of the lips during the production of "o" have the effect of throwing the tone forward and thus of taking it out of the throat and eliminating the guttural quality.

Another speaks through his nose like a down-east farmer. The reason of this is that the uvula, the projection of membrane in the back of the throat, popularly but incorrectly called the palate, drops down on the tongue during speech and thus forces the tone through the nose and produces an undesirable nasal quality. Plainly, the elimination of this fault depends upon the lifting of the uvula during speech so that the sound waves may be permitted to pass through the mouth. This may be done by producing the vowel sounds under the breath and throat conditions and processes suggested in 1 and 2.

Some speakers persist in addressing a prospect in loud and raucous tones, and this, notwithstanding the fact that the hearer is in close proximity. Speak in well-modulated tones and not more loudly than is necessary to convey thoughts clearly. Do not yell; it is disturbing and irritating.

Faults in Speech

An effective treatment of this phase of the subject demands some consideration of the organization of the facts of the material of the sales talk and of the psychology of gaining and holding attention.

Clear and intelligible speech in salesmanship demands preparation. The salesman must, to be convincing, work upon the basis of definite ideas. Every fact must not only be clearly defined but must be arranged in proper sequence or order, so that the mind can pass boldly and unhesitatingly from the first to the concluding statement. If the agent has not the preparation suggested, he must make a vague, confusing and indifferent presentation of his proposition. The salesman is a mental guide. If he knows the way but vaguely, how can he get the prospect to the desired destination, which is the signing of an application?

Upon the mental attitude of the agent will depend whether or not he gains the attention and sustains the interest of the prospect. The salesman should not throw his facts at his hearer; they will not sink in; he should call his prospect's attention to the details of his proposition one at a time and should state them at such a rate of speed as to enable the prospect to clearly comprehend them. Thus the facts will be impressed.

To return to our main consideration one very prevalent fault in speech is hesitancy, e.g., prefacing almost every word with er-er-er. This hesitancy usually arises from vagueness and lack of preparation. The remedy, then, is thorough preparation. Of course it may be a bad habit, and an agent with a thorough grasp of his matter may be afflicted with the mannerism. The prospect does not know this and will doubtless ascribe the fault to lack of familiarity with the subject under discussion. For an agent to convey this impression is to interfere very materially with his convincingness.

One of the most fatal faults of

(Continued on page 24)

Ontario's New Non-Tariff

FEDERAL FIRE INSURANCE COMPANY OF CANADA

Head Office:

GENERAL ASSURANCE BUILDING

BAY and TEMPERANCE STS., TORONTO

Daily Service, Reasonable Rates, Prompt and Satisfactory Settlements, Sound Protection

W. S. MORDEN, K.C., President

Vice-President Chartered Trust and Executor Company

S. C. TWEED, 1st Vice-President

President Ontario Equitable Life and Accident Insurance Company

T. S. KERR, 2nd Vice-President, Vice-President Harvest Company, Limited.

HAROLD W. MAGEE, Manager

GEORGE A. GORDON, Secretary

ALAN COATSWORTH, Treasurer

WILFRID I. MAGEE, Inspector

A Company formed with a record for a minimum outlay in organization expenses and starting with a surplus of $9,324.00 out of premium on Stock. It is well established and receiving an excellent volume of business from 355 producing agents throughout the southern part of Ontario.

Toronto and Ontario Agencies Invited

Portage la Prairie Farmers' Mutual Fire Insurance Company

Established 1884

Insures against:

FIRE LIGHTNING and CYCLONE

All loss claims during 1922 amounting to $349,059.26 were paid.

Assets over liabilities .... $ 1,041,918.37

Insurance in force 72,017,325.00

Write for particulars and annual report to:

The Secretary, Portage la Prairie, Manitoba

THE TORONTO CASUALTY FIRE AND MARINE INSURANCE COMPANY

Head Office: Lumsden Building, Toronto, Ont.

Automobile - Fire - Marine Guarantee - General - Liability - Accident and Sickness - Electric Motor - Inland Transportation.

Authorized Capital	$1,000,000
Subscribed Capital	$575,000
Paid up Capital	$126,000
Surplus to Policyholders	$175,000

Assessment System

THE CANADIAN ORDER OF CHOSEN FRIENDS

A Purely Canadian Benevolent and Beneficial Society

GOVERNMENT STANDARD RATES

Organized March 28th, 1887. Incorporated June 1, 1887.

HEAD OFFICE, HAMILTON, ONT.

JOHN L. DAVIDSON, Grand Councilor, Toronto, Ont.

W. F. CAMPBELL, Grand Organizer, Hamilton, Ont.

WM. F. MONTAGUE, Grand Recorder-Treasurer Hamilton, Ont.

DR. J. H. BELL, Grand Medical Examiner Hamilton, Ont.

Statement of the Funds

Office of the Grand Recorder-Treasurer,
HAMILTON, January 1st, 1923.

LIFE INSURANCE FUND

1922		
Jan. 1 Amount on hand		$ 988,035.96
Dec. 31 Assessments collected		393,140.18
Interest collected		45,531.60
Total		$1,426,707.74
Expenditure		
Death claims	$403,553.81	
Disability claims	88,484.50	
Total		$492,038.31
Am't on hand Dec. 31st		$934,669.43

STATISTICAL RECAPITULATION

Receipts		
Life Insurance Fund Received to date		8,738,988.33
Interest added by Bank, etc.		828,479.94
Transferred from General Fund		27,685.84
Total Receipts		$9,595,154.11
Payments		
Death Claims	$7,819,227.31	
Disab. Claims	795,143.53	
Investigat'n F'nd, etc.	46,113.84	
Total Payments		8,660,484.68
Balance in Life Insurance Fund		$934,669.43

NOTE—The above mentioned balance is made up as follows:—

Bank of Hamilton, re Province of Quebec $	5,000.00
Special Deposit in Royal Bank	6,766.25
Municipal Debentures and War Loans	890,387.02
Balance in Bank of Hamilton	32,516.16
Total	$ 934,669.43

SICK BENEFIT FUND

1922		
Jan. 1 Amount on hand		$155,879.27
Dec. 31 Assessments collected		36,853.80
Interest collected		12,052.73
Cancelled cheques		22.00
Total		$204,807.80
Expenditure		
Sick benefit claims	$27,829.05	
Funeral Benefits	3,300.00	
Grand Med. Exam.	833.36	
Trans. to Gen. Fund	3,687.57	
Total		$35,649.98
Am't on hand Dec. 31st		$169,157.82

STATISTICAL RECAPITULATION

Receipts		
S. B. Fund received to date		$ 964,727.53
Interest added by Bank, etc.		$ 88,656.80
Total Receipts		$1,053,384.33
Payments		
Paid S. B. Claims	$726,909.75	
Paid F.B. Claims	$ 64,950.00	
Rebate (Overpaid)	211.84	
Passing, Claims, etc.	17,951.00	
Transferred to Gen. Fund	74,205.92	
Total payment		884,228.51
Balance on hand		$ 169,157.82

NOTE—The above mentioned balance is made up as follows:—

Municipal Debentures	$ 157,256.00
Balance in Bank of Hamilton	11,901.82
Total	$ 169,157.82

Attractive certificates at monthly rates. Straight life with disability benefits. Twenty-year payment life at net costs, no profits. Child insurance, amount increases to maximum of $500. Sick and Funeral Benefits. Single Benefits at Single Rates. Sick and Funeral Benefits. Double Benefits at Double Rates. Ladies and gentlemen admitted on equal terms. 500 Councils with over 26,000 members.

WIDE VARIATIONS IN LOSS RATIOS OF FIRE COMPANIES

Average Ratio of 6.990 Per Cent. Highest Since 1904

Much comment has been occasioned by the heavy fire losses experienced by the companies during 1922, the ratio of losses paid to premiums earned being 69.90 per cent., the greatest since 1904. Some attribute this to exceptional hazards due to the business depression when the number of watchmen, cleaners, etc., employed is cut to a minimum in factories, once buildings, etc. However many experienced men prefer to regard it as only a fluctuation such as is experienced by the companies periodically. The table given below shows that while the average loss ratio is high the experience of the individual companies differs widely.

On the whole the British companies suffered most and the foreign companies (mostly American) had the lowest loss ratio.

The table below shows the loss ratios by companies for both 1921 and 1922.

Canadian Companies

Company	1922 Loss Ratio %	1921 Loss Ratio %
Acadia Fire	76.41	68.18
Antigonish Farmers	111.33	2.05
Beaver Fire	26.86	24.61
British America	65.61	58.74
British Colonial	142.45	81.94
British Northwestern	57.05	41.53
Canada Accident & Fire	78.81	46.61
Canada National	62.08	50.33
Canada Security	82.13	76.93
Canadian Fire	44.97	39.25
Canadian Indemnity	72.39	50.95
Canadian Lumbermen's	34.99	68.37
Cumberland Farmers	35.05	81.78
Dominion Fire	77.20	70.76
Dominion Gresham	2.06	....
Dominion of Canada Guarantee & Accident	40.45	31.66
Ensign Fire	53.87	....
Fire Insurance of Can.	55.81	53.40
Gen. Acc. Co. of Can.	37.84	53.25
Globe Indemnity	46.54	39.11
Grain Insurance	73.68	48.79
Guardian Insurance Co. of Canada	66.22	86.36
Halifax Fire	59.22	47.72
Hudson Bay	51.62	61.29
Imperial Underwriters	67.90	43.81
Kings Mutual	85.58	66.14
Liverpool-Manitoba	59.00	52.40
London Mutual	185.28	78.08
Mercantile	53.44	40.64
Mount Royal	63.05	68.78
Mutual Fire	88.11	43.14
North Empire	107.51	73.63
North West	75.96	46.29
Occidental	71.61	71.95
Pacific Coast	53.27	49.84
Pacific Marine	467.96	175.43
Pictou County Farmers	79.59	9.94
Quebec	36.59	34.41
Reliance	56.82	30.02
Scottish Canadian	64.43	99.68
Western	75.60	62.55
Average	69.60	64.58

Foreign Companies

Companies	1922 Loss Ratio	1921 Loss Ratio
Alliance	76.73	49.87
Atlas	87.45	52.41
Autocar	36.48	45.83
British Crown	73.92	72.19
British General	56.07	49.4
British Oak	79.15	...
British Traders	84.09	63.48
Caledonian	85.71	52.50
Car and General	57.48	27.01
Century	67.87	51.20
China	39.35	33.83
Commercial Union	73.38	57.49
Cornhill	11.27	....
Eagle, Star and British Dominions	82.03	62.92
Employers' Liability	72.87	48.45
Essex and Suffolk	80.31	49.49
General Accident, Fire	47.40	55.66
Guardian Assurance	92.18	53.65
Law, Union and Rock	50.36	45.68
Liverpool and London and Globe	60.70	49.44
London Guarantee	75.37	86.51
London and Lancashire	66.79	42.63
London Assurance	52.10	51.25
Merchants Marine	50.26	40.85
Motor Union	56.15	41.50
National Provincial Ins.	54.54	41.02
North British and Mercantile	77.15	54.71
Northern Assurance	85.57	56.73
Norwich Union Fire	69.57	49.67
Ocean Acc. & Guar.	66.99	68.10
Palatine	85.21	47.03
Patriotic	67.53	7.38
Phoenix of London	69.26	56.77
Provincial	70.62	56.53
Queensland	67.63	57.78
Royal Exchange	57.56	37.09
Royal Insurance	60.80	59.63
Royal Scottish	71.23	60.42
Scottish Metropolitan	62.96	43.17
Scottish Union	49.45	43.08
Sun Insurance	72.49	51.12
Traders and General	76.68	92.31
Union Assurance	83.85	57.15
Union of Canton	86.16	79.00
United British	34.61	....
Yangtsze	48.94	81.46
Yorkshire	121.94	80.91
Average	72.53	55.32

British Companies

Companies	1922 Loss Ratio	1921 Loss Ratio
Ætna	55.91	50.39
Agricultural	66.32	63.73
Alliance Insurance	56.54	64.38
American Alliance	104.49	17.43
American Central	68.70	56.02
American Equitable	71.19	88.88
American Exchange	7.48	....
American Insurance	42.72	50.29
American Lloyds	32.27	25.17
Baloise	140.06	....
Boston	79.67	61.10
Caledonian-American	83.78	47.90
California	48.23	45.59
Citizens of Missouri	48.02	46.69
Columbia	71.12	102.32
Commercial Un. of N. Y.	39.61	31.73
Connecticut	53.49	41.62
Continental	49.97	69.52
Equitable Fire & Marine	48.96	53.49
Fidelity-Phoenix	50.52	61.53
Fire Association of Philadelphia	52.82	57.35
Fireman's Fund	97.60	58.93
Firemen's Insurance	25.82	59.87
General of Paris	51.64	66.13
Girard	20.74	85.47
Glens Falls	69.95	80.70
Globe and Rutgers	100.02	65.39
Grain Dealers	89.45	....
Great American	75.24	64.72
Hardware Dealers	61.93	61.49
Hartford Fire	62.34	53.34
Home Insurance	83.72	71.63
Individual Underwriters	28.00	36.36
Insurance Co. of North America	53.01	58.20
Insurance Co. of State of Pennsylvania	47.12	69.59
Lumber Underwriters	95.37	130.81
Lumbermen's Indemnity Exchange	226.80	....
Lumbermen's Underwriting	54.54	90.77
Manufacturing Lumbermen's	49.05	101.64
Mechanics and Traders	71.12	79.20
Merchants Fire	76.04	29.23
Millers' National	71.62	63.45
Minnesota Implement	61.93	61.49
National-Ben Franklin	50.87	43.40
National Fire of Hartf'd	56.39	90.33
National Union	75.62	74.16
La Nationale	56.95	59.53
Newark	81.75	62.05
New Hampshire	95.55	78.56
New Jersey	58.59	26.69
New York Reciprocal	122.11	....
Niagara	59.68	56.68
Northwestern Mutual	52.58	49.25
Northwestern National	47.11	35.03
Pacific Fire	79.86	52.76
Phoenix of Paris	71.58	63.51
Phoenix of Hartford	53.99	56.43
Providence Washington	60.80	47.64
Queen of America	70.06	55.86
Retail Hardware	61.93	61.49
St. Paul Fire and Marine	62.47	36.93
Security	104.14	3.25
Springfield	68.68	69.40
Sprinklered Risk	84.31	....
Sterling	68.97	49.53
Stuyvesant	71.24	36.76
Tokio	98.54	30.42
L'Union of Paris	79.73	71.98
United States Fire	54.48	69.22
Vulcan	56.00	72.70
Westchester	62.50	64.53
Average	66.44	62.66

RECAPITULATED

Canadian	69.60	64.58
British	72.53	55.32
Foreign	66.44	62.66
Average	69.90	59.80

Companies Found Automobile Risks Profitable During 1922

The returns of the companies transacting automobile insurance show that the business of these companies was more profitable in 1922 than in the previous year. The risks assumed are divided into classes: A, including fire risks and those cases where fire is covered along with burglary and transportation; B, including all other forms of cover.

In class A the net premiums written were $2,481,802, as compared with $2,488,990 in 1921, and the losses incurred, totalled $1,418,667, a substantial decrease from the total of $1,955,943 in 1921. In class B the net premiums written amounted to $3,634,338, while those in 1921 were $3,623,940. The losses in this class decreased from $1,622,435 in 1921 to $1,332,511 in 1922. While the premiums received in both classes remained practically the same, the losses in each case show marked reductions. This is especially gratifying in view of the fact that the losses of the fire companies were abnormally high, since a large portion of the losses in class A are from fire.

The table given below indicates the wide variation in the experience of the companies, some having experienced losses greater than the premiums written, while others suffered almost negligible losses.

	Class A Premiums $	Class A Losses $	Class B Premiums $	Class B Losses $
Ætna	23,666	11,676	6,695	3,336
Alliance Assurance	25,124	21,408	37,989	17,279
Alliance Insurance	5,118	5,026	10,372	2,402
American Alliance	56	none	none	none
American Central	5,753	3,719	3,889	1,212
British America	72,028	69,230	83,954	29,088
British Crown	113,972	72,955	62,559	36,505
British Traders	59,868	26,385	51,744	25,029
Canada Accident	46,881	24,112	72,357	16,010
Canada Security	5,162	2,809	8,060	3,854
Canada Fire	22,481	9,077	19,436	4,080
Canadian Surety	38,940	31,459	42,491	15,987
Casualty Co. of Canada	none	none	45,910	28,320
Car and General	18,954	17,410	10,134	8,156
Columbia	54,017	24,263	4,041	1,680
Continental Casualty	none	none	11,021	4,604
Continental Insurance	11,226	9,359	4,616	1,790
Dominion Fire	15,186	10,419	3,337	1,866
Dominion Gresham	8,504	2,614	91,877	48,898
Dom. of Canada G'tee and Acc't	105,175	48,931	158,722	58,181
Eagle, Star and British Dominions	none	none	56,307	13,524
Employers' Liability	84,971	35,912	237,624	79,598
Equitable Fire	82	none	none	none
Fidelity and Casualty	none	none	2,119	4,031
Fidelity-Phenix	8,985	11,717	3,832	2,238
Fireman's Fund	15,064	12,648	none	none
General Accident of Canada	57,069	41,221	201,740	62,765
General Animals	none	none	none	—6,198
Glens Falls	26,578	12,616	4,141	719
Globe and Rutgers	59,403	32,323	59,814	23,126
Globe Indemnity	48,580	26,024	157,213	116,348
Great American	34,032	21,849	5,529	4,365
Guardian Insurance Co. of Canada	45,787	29,710	89,633	47,476
General Accident, Fire and Life	99	601	none	none
Hartford Accident	none	none	50,307	13,167
Hartford Fire	103,805	69,401	none	none
Home	110,745	54,554	22,957	23,572
Imperial Guarantee and Accident	57,022	33,957	63,669	17,550
Imperial Underwriters	3,806	3,952	5,771	667
Indemnity Insurance	none	none	6,622	1,257
Insurance Co. of N. America	72,896	40,646	39,967	23,587
Law, Union and Rock	17,234	8,464	26,026	10,651
Liverpool-Manitoba	29,035	15,894	30,012	8,552
London and Lancashire G'tee and Accident	42,052	27,472	106,359	37,556
London and Lancashire Insurance	27,131	14,978	21,826	10,298
London Assurance	9,790	5,089	4,196	2,160
London Guarantee and Accident	62,507	24,492	118,109	30,708
London Mutual	27,855	12,740	34,794	8,039
Lumbermen's Mutual Casualty	none	none	19,987	2,592
Marine	28,609	17,997	9,568	1,859
Maryland Casualty	none	none	26,166	6,897
Merchants and Employers	none	none	38,913	17,846
Merchants Casualty	148,423	61,227	136,918	57,944
Motor Union	27,672	18,661	63,665	32,288
Mount Royal	10,072	4,690	16,603	3,923
National Fire	20	3,230	119	533
National Union	757	1,069	495	84
Newark	3,233	2,497	946	93
New Jersey	10,424	3,658	6,858	4,498
Niagara	3,906	3,408	1,449	312
North American Accident	15,220	8,941	35,621	19,066
Northern Assurance	41,483	25,886	59,661	24,085
Northwestern Mutual	10,869	2,604	9,452	2,695
Northwestern National	4,434	1,162	1,563	1,223
Norwich Union	78,211	46,455	117,708	42,281
Occidental	19,358	9,302	26,938	6,477
Ocean Accident	103,196	40,434	178,899	72,202
Pacific Marine	1,222	116	—919	113
Palatine	11,929	8,550	15,902	4,478
Phoenix Insurance	3,697	9,031	none	none
Preferred Accident	none	none	23,971	7,609
Province Washington	9,202	14,095	9,202	1,522
Provincial	34,639	5,831	78,263	16,412
Queen	53,390	22,818	20,529	4,955
Railway Passengers	23,470	5,430	79,073	18,043
Royal Exchange	34,736	22,352	45,677	24,059
Royal Indemnity	none	none	44,251	10,950
St. Paul	25,861	13,748	4,521	1,301
Scottish Metropolitan	21,222	14,058	27,909	10,272
Scottish Union	8,114	4,887	4,318	1,120
Springfield	4,149	11	197	none
Sterling	3,359	142	none	none
Sun	26,234	13,229	36,374	13,002
Traders and General	22,097	190	—33,145	—284
Travelers Indemnity	none	none	144,731	—41,504
Union Assurance	30,779	10,716	8,721	5,105
Union Marine	2,703	1,112	4,610	1,869
Union of Canton	56,953	46,271	98,678	32,210
United States Fidelity and Guaranty	none	none	44,398	12,730
United States Fire	2,622	3,781	728	1,261
Western Assurance	69,634	44,418	68,246	29,462
Yorkshire	none	none	78,803	36,895
Totals	2,481,802	1,418,667	3,634,338	1,332,511

FAMILY PROTECTION BIG SELLING POINT

They were walking down the street under the same umbrella when she remarked: "George, have you forgotten that to-morrow is the day to pay the premium on your life insurance?"

"No, my dear," said he, "but I have been hard pressed in business and am needing the money. I think I shall have to let the policy lapse."

She walked on in silence for a few moments busily thinking; then she gently took the umbrella from his hand and passed to the other side of the walk. "Why, Edith," said George, "why do you take the umbrella away?"

"Oh," said she, "it's but a return in kind; you lapse your policy from over my head, and I lapse the umbrella from over yours."

"But don't you see my new hat and coat are getting wet?"

"That," said she, "is nothing to the flood that will come upon me and the children if the worst happens to you. If I can stand the worst storm of life without protection, surely you should not complain of April **showers.**"

Thereupon George promised to pay the premium; she restored the umbrella, and down the streets of life they walked peacefully ever after.

George was somewhat typical of another man who started on a twenty-mile walk but lacked the resolution to complete it. Knowing it was greatly to his advantage to reach his destination he carefully considered the matter and having decided that from every point of view it was not only his duty but for his profit to make the journey, he started on his way. After reaching the first milestone he stopped; an acquaintance who overtook him asked: "Are you afraid you won't be able to reach the end of your journey?"

"Oh, no," he replied.

"Haven't you the same object in making it that you had at first?"

"Yes, just the same."

"Don't you think, then, as you have gone so far it is even more to your advantage to press on than it was at the start?"

"Yes, I think so."

"Well, then, why don't you continue on?"

"I'm tired."

"Very tired?"

"No, just tired."

"Decided to quit?"

"Yes, I can make this journey some other time."

"But you will have to start all over again and lose the benefit of the part you have already completed."

"I don't care; another time will suit me better."

Did he ever make the journey? No, he died too soon. **This journey represented the premiums on a 20-payment life policy. He had paid one, and could have paid them all but he became indifferent, and his policy lapsed.**

He was saved the trouble of completing his journey, but his family were deprived of the needed protection of the insurance money. When insured, stay insured, lest you never get it again.

WILLYS - KNIGHT

Coupe-Sedan

The New Closed-Car Creation
At $2350 F.O.B. Toronto

SEVEN entirely new Willys-Knight motor cars, combining superlative value with conservative price. New and finer five-and-seven-passenger touring models. A racier Roadster. New five-and-seven-passenger Sedans. A smarter Coupe.

And for the crown and climax of this seven-model line—a new creation! Not a Sedan: not a Coupe: not a Coach. The new Coupe-Sedan. With ample riding room for five, this strikingly original enclosed model combines the convenience of the Sedan with the intimacy of Coupe.

Doors front and rear give unhampered entrance and exit. Folding seats and their inconvenience are conspicuously absent. The body—of steel—is exquisitely beautiful, interior fittings and appointments are complete.

The Willys-Knight sleeve-valve motor grows smoother and more powerful with use.

RECORD BREAKING NEW PRICES FOR THE NEW AND FINER WILLYS-KNIGHT LINE:

Touring 5 passenger	$1750	Coupe 5 passenger	$2450
Roadster 5 passenger	1750	Touring 7 passenger	2050
Coupe-Sedan 5 passenger	2350	Sedan 7 passenger	2950
Sedan 5 passenger	2600		

All Prices f.o.b. Toronto. Taxes extra.

Willys-Overland Limited
HEAD OFFICE AND FACTORIES: TORONTO, CANADA
Branches: Toronto Montreal Winnipeg Regina

The Independent Order of Foresters

Incorporated by the Parliament of Canada
Organized in 1874

Total Assets
40 Million Dollars

THREE NEW FORMS OF POLICIES NOW BEING ISSUED BY THE SOCIETY

Life—20 Payment
(With Cash Surrender Values and Automatic Non-Forfeiture)

Life—20 Payment with Disability Benefit
(With Cash Surrender Values and Automatic Non-Forfeiture)

Old Age Benefit Certificate—
with 100% Disability and 100% Old Age Benefit
(With Cash Surrender Values and Automatic Non-Forfeiture)

The Society still issues its Standard Policy—"Whole Life" with 70% Disability and 70% Old Age Benefit.

POLICIES Issued from $1000 to $5000

Total Benefits Paid:
78 Million Dollars

HEAD OFFICE:
Temple Building, Toronto, Canada

The Independent Order of Foresters

CORPORATION DREW $50,000; HAD PAID ONLY ONE PREMIUM

Value of Business Insurance Policy is Evidenced by This Case

WAS YOUNG COMPANY

Double Liability Clause Operates When Chief Executive Was Killed in Accident

By RANDOLPH S. MORTLEY

This is how a young manufacturing company recently increased their working capital by about $50,000, within less than two months. This company, of whom the writer has full knowledge, was just nicely started in business last December when the representative of a Canadian life insurance company secured their application for an insurance of $25,000 including the double indemnity clause, which makes the insurance company liable for $50,000 at death, upon the life of their chief executive officer. The policy, made payable to the company, was issued on or about the 16th December, 1922, and the first annual premium of $756.25 collected in cash. On the 8th February, 1923, the policy holder was instantly killed in an automobile collision, involving an immediate loss to the life company of $49,243.75, after deducting the first premium.

This enterprising firm had already been making some arrangements for extending their industry, and had under consideration at the time of this death the purchase of a big vacant lot adjacent to their present plant. The surviving members of the company have since reported that the payment to them of the net proceeds of the insurance policy enabled them to go straight ahead and complete their plans in detail. All their problems have thus been solved by the simple, never-failing method of life insurance—whereas if this contract had not been made when it was, things to-day would have been vastly different with this company. The outlook for them would have been much more gloomy; where in the vast field of speculative business could the invaluable assistance of this large sum of money have been gained for this time of greatest need, with so little worry and such absolute security without any loss in its realization? Prof. De Morgan, one of the most famous British actuaries of last century, said: "There is nothing in the commercial world that approaches, even remotely, the security of a well-established life insurance company." Life insurance is the only means ever devised of creating wealth "by a stroke of the pen," as it were.

Although in perfect health to-day, any one of us may die to-morrow. This is trite, but most of us probably do not fully realize its truth. To know how often death comes suddenly and unexpectedly one has only to look over the death registers of an insurance company; in addition to the normal toll from other causes you will note with surprise the numerous deaths that occur from accident, or acute illness, within only a few months of the issue of the policies—as in the case above cited. Most of these were medically-examined lives, "good risks," with every prospect of filling out the full expectancy; yet within a few months the policies became claims. If the owners had further delayed taking out insurance, for a few months, yea, for even a few days in some cases, they would have died uninsured, without leaving protection for their families, if married. Think of the grave risk being run continually by all men who neglect to insure their lives because they "feel perfectly well," and do not realize the dangers of delay.

As a rule, where death occurs unexpectedly, the business affairs of the deceased are found to be badly mixed and jumbled. The estate may include plenty of property, but frequently no one but the deceased knew much about his affairs. The usual result is that not only is the family temporarily embarrassed for lack of ready money, but the executors in their haste to straighten out the tangled affairs of the deceased fail to dispose of the property to as good advantage as they might. If, however, the deceased had carried insurance, the life policies are always the first assets to be cashed, allowing the trustees to dispose of the balance of the estate at their leisure, without sacrificing any assets in order to obtain the ready cash. No man may feel sure of having time to settle up all his affairs before his death, but any man can provide against death, however sudden, by carrying all the life insurance within his reach. He may need only look about him to see numerous examples of the vast benefits life insurance is bestowing upon thousands of families and businesses.

THE MACCABEES

One of the oldest Benefit Societies of the continent. We offer all the advantages any insurance concern can, plus the benefit of our fraternal order.

We have 5 plans of Protection. Our policies are participating. Our order is sound.

We have $170,000,000 insurance in force to-day on Legal Reserve Basis—this total is mounting rapidly.

REPRESENTATIVES WANTED

Good territory for good men—best territory for best men.

JAS. S. GREEN
249-250 Confederation Life Bldg.
TORONTO, ONT.

GROUP INSURANCE IS GODSEND TO MANY

Travelers' Adjusters Find That it Helps Out Many

The assertion has never been made that group insurance should take the place of regular life insurance; but a study made by the Travelers Life Insurance Company of Hartford shows that in the family of the average workman in this country, group insurance is a godsend. Let the adjusters who visited the beneficiaries tell the story:

Dependents—widow aged 29, son aged 3, daughter aged 1½.

Total Estate—none.

Amount of Group Insurance—$750.

At the time of death, insured's wife states she had only eighteen cents in the house and that her husband, the deceased, had only three or four dollars. She says this insurance is a godsend.

Dependents—widow aged 28, son aged 4.

Total Estate—$200 in savings bank.

Amount of Group Insurance—$1,500.

Insured's wife is pregnant and expects to be confined within a day or two. With the exception of about $200 in the bank, the family has no money or income at all. Widow states that the proceeds of this policy will help to keep the home together and provide for the son's education.

Dependents—widow aged 50, 2 daughters aged 14 and 13, two sons aged 12 and 10.

Total Estate—a house valued at $900, mortgage for $700.

Amount of Group Insurance—$1,500.

Dependents were wholly without money and there was no fuel or groceries in the house. Had to guarantee the undertaker's bill before he would bury the deceased. Family would become town charges without the group insurance.

Dependents—2 unmarried sisters over 60, aunt aged 80, feeble minded son aged 28, granddaughter aged 12.

Total Estate—none.

Amount of Group Insurance—$1,000.

Deceased was sole support of the family. Family live in great poverty. Insurance money only asset. One of the saddest cases I have ever seen.

Dependents—widow aged 50.

Total Estate—none.

Amount of Group Insurance—$1,800.

The insured was blind. He was employed by employer 32 years. His widow probably has consumption. She is now in a hospital. Insurance money will bury deceased and send ailing wife away to the mountains for a cure.

Dependents—widow aged 50, son aged 8, daughter aged 5.

Total Estate—none.

Amount of Group Insurance—$800.

Family of this insured destitute. Part of the $800 insurance benefit will be used to defray funeral expenses. With the balance the wife plans to take her two children back to Italy where she has relatives. The wife speaks no English and the home and surroundings of this insured indicated the stress of poverty.

Dependents—widow aged 36, 2 sons aged 13 and 2, daughter aged 7.

Total Estate—none.

Amount of Group Insurance—$1,000.

No money in house and behind in rent.

BUSINESS DECLINE HIT ALL INSURANCE

Inland Transportation Premiums Are Materially Lower

The decline in business in 1922 is evidenced by the general decline that is noted in most classes of insurance as compared with 1921. Inland transportation insurance is an evidence of this. It is also to be noted that in most cases the losses declined even more than the premiums.

The figures:

	Prem. $	Losses $
Aetna Insurance	167	16
Alliance Insurance	777	None
American & Foreign	14,646	5,035
British American	3,211	1,064
British & Foreign	696	None
Columbia	11,646	431
Fireman's Fund	2,073	—1,747
Glens Falls	799	11
Globe and Rutgers	2,787	924
Great American	39	None
Hartford Fire	65,258	19,403
Home	1,912	283
Insurance Co. of North America	27,650	None
London Assurance	25,285	102
Marine	27,188	4.845
Ocean Marine	None	None
Queen Insurance	1,159	22
St. Paul Fire	32,593	13,286
Union Assurance	25,285	2,516
Union of Canton	24,531	10,175
Union Marine	516	None
Western Assurance	12,546	3,403
Totals	280,764	59,769
1921 total	323,517	104,688

When Does a Paper Really "Reach" You?

1.

Advertisers of the present day are continually having impressed upon them the large number of readers "reached" by this or that medium.

Altogether too much stress is laid upon the number reached; insufficient importance is attached to the manner of reaching them.

As you pass along the street a handbill is thrust upon you. You take it, glance at it, and in all probability immediately throw it away. That advertisement has undoubtedly reached you, but has it reached you in the manner in which you would like your own advertisement to reach the customers you are aiming to get?

It is this question of how people are reached that is really the important one for the advertiser to consider. It is useless "reaching" a large number if you reach them at an unsuitable time and under conditions in which your advertisements will have no effect; everything depends upon the nature of the contact. If this were not so you might as well save the expense of sending out salesmen and send out messenger boys instead. They would "reach" your clients. But you send out a salesman because a salesman is something more than mere flesh and blood. He can do your work more effectively than the messenger boy.

In the same way a publication is more than mere paper and ink. If it is the right kind of publication it is just as far ahead of the handbill or other unsuitable medium for carrying your message as the salesman is ahead of the messenger boy. It will do your work far more effectively.

This is the first of three talks designed to show you how you can satisfy yourself that the medium you choose can not only reach, but reach effectively, and under the most favorable conditions, the man whom you wish to secure as a client.

Look out for No. 2 in our next issue.

The MacLean Publishing Co.
143-153 University Avenue, Toronto

Publishers of:

The Financial Post, Canadian Grocer, Hardware and Metal, Dry Goods Review, Men's Wear Review, Bookseller and Stationer, Canadian Machinery, Canadian Foundryman, Druggists' Weekly, Power House, Canadian Shipping, Printer and Publisher, Sanitary Engineer, Canadian Automotive Trade

Incorporated A.D. 1851

WESTERN ASSURANCE COMPANY

(Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance)

Assets over $6,500,000.00

Losses paid since Organization in 1851 over $82,000,000.00

HEAD OFFICES: Western Assurance Buildings, Corner Scott & Wellington Streets TORONTO

Return of the Chartered Banks of the Dominion of Canada, February 28, 1923

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 9, of the Statutes of 1913.

LIABILITIES

NAME OF BANK	Capital authorized	CAPITAL STOCK: Capital Subscribed	CAPITAL STOCK: Capital paid up	Amount of Reserve Fund	Last Dividend declared	Notes in circulation	Due to Dominion Government	Due to Provincial Government	Demand Deposits In Canada	Notice Deposits in Canada	Deposits Elsewhere
	$	$	$	$	%	$	$	$	$	$	$
*Montreal	31,175,000	27,250,000	27,250,000	27,250,000	12	37,136,492	8,332,205	6,067,140	118,052,936	297,647,899	82,273,459
Nova Scotia	15,000,000	10,000,000	10,000,000	19,500,000	16	13,993,288	607,402	1,776,059	29,657,418	105,642,661	30,030,418
Toronto	10,000,000	5,000,000	5,000,000	6,000,000	12	6,023,228	73,772	1,511,041	24,123,763	45,461,204	....
Molsons	5,000,000	4,000,000	4,000,000	5,000,000	12	4,473,601	108,559	1,076,838	12,585,871	40,432,376	....
Nationale	5,000,000	3,000,000	2,956,030	400,000	6	4,169,315	2,001,339	494,099	5,386,000	25,270,484	6,597,308
Provinciale	5,000,000	3,000,000	3,000,000	1,500,000	9	2,806,704	57,234	138,926	4,152,038	22,277,449	....
Union	15,000,000	8,000,000	8,000,000	6,000,000	10	7,835,894	379,924	4,373,406	27,441,069	64,430,336	3,046,635
Commerce	25,000,000	15,000,000	15,000,000	15,000,000	12	20,704,109	2,350,452	4,902,540	103,938,995	153,539,436	37,818,207
Royal	25,000,000	20,400,000	20,400,000	20,400,000	12	25,626,404	10,832,380	1,810,331	75,404,069	179,413,796	126,840,064
Dominion	10,000,000	6,000,000	6,000,000	7,000,000	12	6,740,151	297,636	962,389	22,754,884	64,649,340	2,136,562
Hamilton	7,000,000	5,000,000	5,000,000	4,850,000	12	4,709,557	3,082,274	802,893	15,160,269	39,920,937	....
Standard	5,000,000	4,000,000	4,000,000	500,000	14	4,750,345	113,643	2,578,067	15 789,957	43,758,526	....
d'Hochelaga	10,000,000	4,000,000	4,000,000	4,000,000	10	5,161,634	257,316	122,106	8,330,940	42,186,408	....
Imperial	10,000,000	7,000,000	7,000,000	7,500,000	12	9,416,873	578,337	5,271,957	24,407,413	62,170,845	....
Home	5,000,000	2,000,000	1,960,296	550,000	7	1,616,090	246,606	1,239,372	5,741,345	12,017,281	....
Sterling	3,000,000	1,266,600	1,232,900	500,000	8	1,213,560	3,061,317	1,389,093	3,198,858	11,160,540	....
Weyburn Security	1,000,000	655,700	524,560	225,000	7	337,612	47,028	16,571	921,049	1,363,943	....
Total	187,175,000	125,572,300	125,323,786	130,675,000	....	156,714,857	32,427,424	34,532,828	497,046,874	1,211,343,461	288,742,653

NAME OF BANK	Loans from banks in Canada	Balances Due to Banks in Canada	Due to Banks in the U. K.	Due to Banks Elsewhere	Bills Payable	Acceptances under letters of Credit	Other Liabilities	Total Liabilities	Loans to Directors	Average Gold and Coin Held	Average Dominion Notes Held	Greatest amount notes in circulation
	$	$	$	$	$	$	$	$	$	$	$	$
*Montreal	....	3,168,160	131,125	335,193	382,560	3,118,360	681,781	557,327,315	354,617	31,716,563	59,979,119	38,999,995
Nova Scotia	....	1,120,980	416,657	966,401	385,866	389,133	5,954	184,992,243	941,785	10,598,202	16,760,872	14,644,556
Toronto	....	483,413	....	750,238	....	641,808	150,902	79,219,371	500,821	986,991	6,018,176	6,867,813
Molsons	....	285,958	7,230	296,516	....	342,025	653,529	60,262,505	112,632	616,562	3,210,119	4,632,376
Nationale	....	1,074	670	121,931	250,000	....	125,350	44,417,573	311,165	450,400	1,079,100	4,319,970
Provinciale	....	115	....	1,162	....	....	163,567	29,597,198	....	183,670	242,421	2,882,964
Union	....	534,554	3,551,916	1,446,966	51,220	3,255,895	209,301	116,557,121	937,252	1,159,370	8,752,701	7,946,319
Commerce	....	497,334	494,785	9,373,798	1,248,590	4,656,386	455,244	339,879,884	1,264,107	14,157,000	25,776,000	21,622,905
Royal	....	840,405	215,727	16,336,705	7,733,080	3,556,055	622,616	449,231,637	510,351	11,081,794	18,893,744	26,327,132
Dominion	....	600,704	218,790	1,215,639	209,458	1,830,196	428,496	102,044,251	67,082	2,062,000	5,703,000	7,040,126
Hamilton	....	98,605	453	423,025	....	195,967	....	64,393,983	875,428	905,451	2,272,177	5,009,332
Standard	....	1,489,984	252,990	622,820	104,182	239,143	174	69,699,836	76,000	1,743,068	7,249,505	4,889,560
d'Hochelaga	....	6,100	64,246	404,121	....	14,098	1,787	56,548,760	94,875	540,460	3,048,231	5,333,549
Imperial	....	400,400	4,694	334,449	....	161,800	....	102,746,772	94,437	1,896,126	9,615,439	10,035,874
Home	....	26,519	445,610	820,174	....	....	....	22,153,000	206,199	261,450	839,572	1,771,300
Sterling	....	271,711	....	746,421	....	5,200	6,790	21,053,494	185,961	68,685	787,938	1,258,795
Weyburn Security	....	....	....	11,494	....	....	26,031	2,723,731	112,474	17,130	91,897	359,002
Total		9,826,016	5,804,893	34,207,053	10,364,956	18,306,066	3,531,522	2,302,848,674	6,645,186	78,444,625	170,320,011	163,941,568

*Bonds of the Merchants Realty Corporation to the extent of $2,835,000 secured on premises leased to the Bank, are in the hands of the public. These Bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Bank of Montreal returns,

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Deposit for note circulation	In Central Gold Reserves	Notes of other Banks	Cheques on other banks	Balance due from banks in Canada	Due from banks in United Kingdom	Due from Banks elsewhere	Government Securities	Canadian municipal, British and foreign securities	Railway and other bonds and stocks
	$	$		$	$	$	$	$		$	$	$
Montreal	32,808,974	59,035,446	1,620,000	14,000,000	3,073,192	17,977,386	....	3,406,924	19,221,971	42,830,262	34,085,211	2,934,607
Nova Scotia	10,614,503	15,458,002	474,491	5,500,000	2,371,463	9,198,366	....	182,057	2,318,907	28,051,863	11,165,808	6,407,483
Toronto	988,004	6,744,013	270,354	1,500,000	502,180	3,423,125	....	110,359	872,279	15,882,468	3,062,298	747,131
Molsons	614,048	4,112,813	193,000	1,000,000	519,161	2,950,008	5,378	782,583	1,209,631	5,992,792	1,250,462	1,849,799
Nationale	463,880	1,145,314	108,500	1,500,000	492,168	1,509,013	....	....	871,141	16,244	6,187,318	859,262
Provinciale	180,821	226,168	150,950	....	418,948	1,875,579	2,494,114	20,240	146,896	2,678,479	3,581,522	1,291,871
Union	1,177,358	9,698,157	395,000	700,000	597,045	3,944,238	55,398	668,251	2,381,502	20,631,257	7,285,786	2,776,331
Commerce	10,017,385	28,747,736	750,000	6,000,000	3,302,070	15,647,699	11,639	821,151	10,711,781	31,573,682	10,966,388	7,284,378
Royal	11,320,314	26,009,233	1,020,000	7,000,000	25,053,947	22,418,631	....	1,994,984	22,918,166	23,671,277	11,222,013	13,396,728
Dominion	2,081,692	6,231,206	300,000	1,200,000	666,038	3,600,256	8	155,795	1,294,119	12,667,616	2,447,756	1,817,418
Hamilton	929,917	7,228,453	250,000	500,000	478,554	2,680,392	510,514	39,060	392,045	3,219,631	3,017,383	412,587
Standard	1,768,017	5,378,573	200,000	1,300,000	322,074	4,170,136	100,000	112,875	463,357	8,324,953	2,522,453	1,182,216
d'Hochelaga	578,358	3,349,980	200,000	1,400,000	1,030,731	2,001,972	915,797	32,998	561,660	3,620,183	3,666,200	933,422
Imperial	1,901,375	9,259,940	326,407	5,002,533	1,123,744	4,051,112	299,717	401,490	1,497,980	14,158,435	4,640,366	406,853
Home	264,115	1,209,040	100,000	....	301,355	1,194,132	101,169	35,769	660,394	295,964	283,642	2,322,270
Sterling	67,862	1,047,704	66,000	....	179,076	660,695	5,836	38,182	243,198	11,226,713	1,333,168	304,575
Weyburn Securit	17,013	93,730	23,547	....	22,981	19,153	314,422	....	87,065	112,362	13,314	....
Total	75,793,636	184,975,508	6,448,249	46,602,533	40,454,727	97,321,893	4,813,992	8,802,718	65,852,092	224,954,181	106,731,088	44,926,931

NAME OF BANK	Call loans in Canada	Call loans elsewhere	Other Current Loans in Canada	Other current Loans elsewhere	Loans to Provinces	Loans to municipalities	Overdue debts	Real Estate other than premises	Mortgages on real estate sold	Bank premises Less written off	Letters of Credit	Other Assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	6,509,051	98,524,520	217,776,227	13,865,757	7,120,575	23,641,340	1,001,412	522,033	2,057,297	10,500,000	3,118,360	*1,379,251	617,009,767
Nova Scotia	7,906,072	12,806,874	76,100,823	15,210,320	....	3,309,382	207,881	82,978	165,117	7,233,811	389,133	171,132	215,326,475
Toronto	7,113,006	....	44,485,843	....	....	1,990,530	398,510	....	....	3,474,927	641,808	....	92,206,839
Molsons	4,119,093	....	39,234,227	....	....	1,821,898	466,475	44,709	25,315	3,129,208	342,025	361,941	70,024,575
Nationale	395,422	....	29,243,046	....	....	280,842	1,180,583	923,508	333,029	2,536,366	....	112,353	48,157,998
Provinciale	4,094,642	....	13,898,413	....	....	1,420,683	399,388	5,500	9,645	1,219,489	....	166,774	34,280,131
Union	3,735,405	2,432,860	58,709,091	5,008,154	1,488,662	2,999,211	243,948	207,612	378,068	2,373,899	3,255,895	50,535	131,193,673
Commerce	15,598,141	15,781,617	163,218,947	23,435,782	2,839,112	11,453,904	683,765	806,956	182,999	7,378,666	4,556,386	45,249	371,815,443
Royal	13,840,214	38,318,958	141,960,475	105,615,362	1,190,215	7,152,017	457,583	1,506,355	148,663	12,031,633	3,556,055	92,321	491,895,153
Dominion	5,196,032	6,928,000	59,129,229	2,749,037	....	1,161,490	235,736	34,404	21,250	6,152,005	1,830,196	393,103	116,292,395
Hamilton	7,055,306	....	39,465,836	....	34,361	3,210,947	360,806	681,898	146,366	3,330,795	195,967	330,802	74,471,630
Standard	4,136,300	750,000	43,622,070	....	....	1,783,711	336,896	281,540	51,100	1,891,761	239,143	56,330	78,993,513
d'Hochelaga	4,683,543	1,000,000	34,342,236	....	....	1,793,219	562,570	305,041	485,275	3,616,408	14,098	89,915	65,183,615
Imperial	2,858,368	5,000,000	54,388,488	....	309,840	5,386,571	539,201	442,811	361,848	5,522,654	161,800	591,653	118,633,195
Home	1,215,382	....	15,421,087	23,193	....	90,405	204,184	86,392	101,615	710,966	....	58,434	24,679,516
Sterling	57,532	....	6,958,779	....	....	80,700	20,693	....	7,917	591,539	5,200	106,474	23,001,851
Weyburn Securit	....	25,000	2,038,417	80,000	....	27,937	154,324	110,091	25,847	208,341	....	63,971	3,437,523
Total	88,513,509	181,567,829	1,039,993,234	165,987,605	12,982,765	67,604,751	7,453,955	6,041,828	4,501,351	71,902,468	18,306,066	4,070,238	2,576,603,292

Column No. 4. Of this deposit $9,602,533 is in gold coin, the balance is in Dominion notes.

*This amount includes $885,000 bonds of the Merchant's Realty Corporation held by the Bank that were not issued to the public.—Footnote to Bank of Montreal return.

FINANCE DEPARTMENT, OTTAWA, March 22nd, 1923.

Abstract of Life Insurance Written in Canada Last Year

Canadian Fire Insurance Companies

Company	Net Premium Income $	Net New Insurance Issued $	Assurance in Force $	Death Claims $	Total Claims $
Canada—					
Ordinary (a)	7,274,605	30,918,930	210,176,221	1,864,962	2,443,561
(b)	5,381,722	25,671,504	118,270,146	1,064,357	1,249,237
(c)	12,656,327	56,590,434	328,446,367	2,929,319	3,692,798
Group (a)	80,887	683,200	6,906,970	33,950	35,450
(b)	9,104	3,509,000	3,774,500	1,500	1,500
(c)	89,991	4,192,200	10,681,470	35,450	36,950
Capital	246,923	808,696	7,491,951	35,500	39,279
Commercial	89,369	1,121,875	3,885,859	11,000	11,000
Confederation (a)	4,169,278	18,253,588	123,323,732	952,263	1,326,921
(b)	1,367,102	3,914,813	27,227,544	213,774	242,997
(c)	5,536,380	22,168,401	150,551,276	1,166,037	1,569,918
Continental	658,157	2,899,334	19,301,534	124,250	180,607
Crown (a)	1,081,599	6,618,550	31,875,553	129,365	250,380
(b)	16,676	351,308	589,712	5,000	101
(c)	1,098,275	6,969,858	32,465,265	134,365	250,481
Dominion	1,880,152	10,063,887	55,703,665	281,736	347,316
Eaton—					
Ordinary	39,705	498,500	1,436,190	1,000	1,000
Group	109,471	....	12,800,000	43,250	45,750
Excelsior—					
Ordinary	1,490,197	6,889,044	46,300,244	235,377	340,020
Industrial	898	....	22,109	1,900	2,645
Great-West—					
Ordinary (a)	9,339,469	40,617,086	298,765,189	1,361,545	1,727,010
(b)	380,406	4,621,667	14,100,486	33,241	45,570
(c)	9,719,875	45,238,753	312,865,675	1,394,786	1,772,580
Group (a)	34,584	403,100	2,485,210	11,600	10,200
Imperial (a)	4,352,320	18,295,031	119,279,876	613,060	875,004
(b)	521,488	1,281,638	11,145,050	47,175	104,814
(c)	4,873,808	19,576,669	130,424,926	660,235	979,818
London—					
Ordinary (a)	2,644,722	14,689,850	81,421,197	280,500	317,763
(b)	3,495	....	105,500	1,000	....
(c)	2,648,217	14,689,850	81,526,697	281,500	317,763
Industrial (a)	1,775,247	18,379,057	47,549,244	296,388	241,628
Group (a)	5,451	159,400	606,400	2,200	2,000
Manufacturers—					
Ordinary (a)	5,203,209	23,402,787	146,996,118	729,268	992,804
(b)	3,157,363	13,395,479	64,470,038	560,454	1,026,886
(c)	8,360,572	36,798,266	211,466,156	1,289,722	2,019,690
Group (a)	971	....	62,800	....	....
Monarch	868,408	5,417,760	30,605,700	72,574	73,630
Mutual of Canada (a)	8,930,878	29,320,745	236,879,723	1,379,290	2,255,391
(b)	53,919	136,000	1,500,561	1,000	15,500
(c)	8,984,797	29,456,745	238,380,284	1,380,290	2,270,891
National of Canada (a)	1,037,729	4,405,835	34,573,229	166,784	274,817
(b)	12,384	68,000	368,547	2,000	3,000
(c)	1,050,113	4,473,835	34,941,776	168,784	277,817
North American (a)	3,363,779	13,940,993	97,341,435	563,593	1,043,953
(b)	316,115	1,224,331	8,875,866	52,716	144,044
(c)	3,679,894	15,165,324	106,217,301	616,309	1,187,997
Northern	913,437	6,661,037	29,307,287	122,659	233,735
Saskatchewan	169,336	966,115	4,959,021	13,000	13,500
Sauvegarde—					
Ordinary	405,835	2,613,274	13,212,116	63,000	90,051
Group	2,321	....	129,400	2,000	1,600
Security	146,792	1,304,300	5,582,901	25,402	21,761
Sovereign	512,887	2,520,250	15,893,759	43,978	58,596
Sun—					
Ordinary (a)	10,233,363	41,826,574	291,250,109	1,711,544	2,640,811
(b)	15,130,358	39,992,537	320,731,862	2,779,794	4,717,443
(c)	25,363,721	81,819,111	611,981,971	4,491,338	7,358,254
Thrift (a)	14,250	....	387,529	5,701	33,162
(b)	13,111	....	385,892	9,230	34,490
(c)	27,361	....	773,421	14,931	67,652
Group (a)	161,283	6,435,000	16,546,890	70,200	78,157
(b)	30,368	180,000	2,102,587	15,205	21,280
(c)	191,651	6,615,000	18,649,477	85,405	99,437
Travellers of Canada	492,933	3,965,122	14,719,912	50,000	45,119
Western	151,454	956,954	5,720,995	13,500	15,391
Totals for 1922 (a)	67,881,899	315,035,874	2,013,500,068	11,312,839	16,070,012
(b)	26,393,611	94,346,277	573,648,291	4,786,446	7,606,862
(a)	94,275,510	409,382,151	2,587,148,359	16,098,785	23,676,874
Totals for 1921 (a)	62,764,841	332,602,429	1,860,026,952	9,986,034	14,093,985
(b)	22,043,591	86,398,383	462,867,197	3,648,078	5,621,189
(c)	84,808,432	419,000,812	2,322,894,149	13,634,112	19,715,174
Increase, 1; decrease, d.					
(a)	i 5,117,058	d 17,566,555	i 153,473,116	i 1,326,305	i 1,976,027
(b)	i 4,350,020	i 7,947,894	i 110,781,094	i 1,138,368	i 1,985,673
(c)	i 9,467,078	d 9,618,661	i 264,254,210	i 2,464,673	i 3,961,700

(a) In Canada. (b) Out of Canada. (c) Total business.

British Companies, Canadian Business

Company	Net Premium Income	Net New Insurance Issued	Assurance in Force	Death Claims	Total Claims
Commercial Union	17,564	15,000	547,369	6,199	24,913
*Edinburgh	145	.....	16,875	972	972
Gresham	192,577	195,000	5,771,591	15,071	24,402
†*Life Assoc. of Scotland	2,123	......	182,903	25,157	34,746
*Liverpool and London and Globe	2,483	.....	117,132	.....	2,451
London and Scottish	562,587	2,282,209	18,330,116	184,041	419,290
†Mutual and Citizens'					
Ordinary	187,134	4,105,250	6,527,999	12,351	8,160
Industrial	288,761	9,627,577	7,992,786	77,852	25,079
North British and Mercantile	69,599	201,500	1,971,060	7,084	25,646
*Norwich Union	1,846	....	78,690	4,540	7,197
Phoenix of London	211,439	292,125	7,496,993	80,635	145,017
Royal	618,426	3,761,983	19,663,205	237,573	273,414
*Scottish Amicable	513	....	30,099	11,278	6,151
*Scottish Provident	93	....	16,746	1,235	6,783
†Standard	755,188	3,054,666	24,941,115	413,024	748,540
*Star	3,883	....	108,468	7,477	9,598
Totals for 1922	2,914,361	23,535,310	93,793,147	1,084,489	1,762,359
Totals for 1921	2,917,418	15,660,737	84,940,938	950,546	1,512,555
Increase, i: decrease, d...	3,057 i	7,874,573 i	8,852,209 i	133,943 i	249,804

*These companies have ceased transacting new business in Canada.

†Date of returns—Life Association of Scotland, April 5, 1922.
Mutual and Citizens', Nov. 30, 1922.
Standard, Nov. 15, 1922.

Foreign Companies Business in Canada

Company	Premium Income	New Insurance	Assurance in Force	Death Claims	Total Claims
Ætna Ordinary	1,225,903	5,867,305	43,986,448	283,592	610,231
Group	147,168	420,000	14,239,000	73,900	77,100
Connecticut Mutual	17,354	....	828,071	24,727	31,764
Equitable Ordinary	1,171,810	61,887	33,421,338	402,752	648,396
Group	39,325	23,200	2,943,850	8,350	13,350
Guardian	9,036	....	186,666	2,875	3,875
Metropolitan					
Ordinary	8,114,554	40,859,135	261,570,244	994,967	1,411,436
Industrial	9,109,000	36,986,758	202,677,015	1,235,419	1,790,444
Group	201,657	1,978,950	16,166,664	77,250	77,650
Mutual of New York	2,045,808	9,247,571	58,226,906	685,923	900,582
National of U. S.	122	....	20,127	1,051	1,021
New York	4,503,647	14,977,559	128,519,388	850,160	1,394,092
Northwestern Mutual	841	....	47,328	14,274	13,274
Phoenix Mutual	21,489	....	90,683	9,789	9,789
Provident Savings	21,040	....	750,161	40,473	46,338
Prudential:					
Ordinary	2,655,869	14,589,097	89,421,663	380,596	442,663
Industrial	4,879,195	29,891,216	128,722,682	679,916	629,871
Group	852	52,000	47,000	1,500	1,500
State	36,333	1,500	1,250,612	....	1,500
Travelers of Hartford:					
Ordinary	1,449,389	14,805,525	61,914,053	534,350	707,014
Group	134,143	861,143	10,985,602	59,830	77,733
Union Mutual	286,529	523,000	8,823,884	74,210	100,295
United States	18,795	16,000	618,712	17,849	32,322
Totals for 1922	36,089,919	171,161,846	1,065,580,097	6,453,753	9,022,210
Totals for 1921	33,182,112	166,390,945	989,875,958	6,173,159	8,390,722
Increase, i: Decrease, d ... i	2,907,807 i	4,770,901 i	75,704,139 i	280,234 i	631,488
Totals in Canada only —All companies					
1922	106,886,179	509,733,030	3,172,873,312	18,850,581	26,854,581
1921	98,864,371	514,654,111	2,934,843,848	17,110,099	23,997,262
Increase, i: Decrease, d ... i	8,021,808 d	4,921,081 i	238,029,464 i	1,740,482 i	2,857,319
Total group business in Canada only. —All companies (included above) 1922	918,113	11,015,993	83,919,786	384,030	420,490
Increase, i: Decrease, d ... i	88,444 i	917,531 i	7,575,867 i	9,625 i	25,513

"PROS AND CONS" OF THE PROBLEM OF RECIPROCALS

Insurance Companies Oppose Unlicensed and Untaxed Mutual Insurance

BEFORE THE COURTS

Privy Council Will Decide Jurisdiction of Provinces and the Dominion as Regards Control

Ontario's bill for the licensing without deposit of reciprocal insurance companies comes up before the Privy Council in June but whether the Privy Council decides for or against the Ontario legislation the controversy raging around this subject will not be downed.

For the benefit of those who are somewhat troubled by the term "reciprocal insurance" it may be stated that these companies in the field are, speaking generally, mutual insurance organizations with their headquarters in the United States. Some of them are very large and have excellent records going back over several decades, and a great many are weak and rather ineffectual organizations that cannot provide adequate insurance protection. Because they want to get wider distribution of their risks, they send representatives to Canada to sign up fire insurance policies from large Canadian manufacturing institutions and similar corporations. They accept only the best of risks and quote rates that cannot be met by the tariff companies in Canada which adhere to the rulings and rates of the Canadian Fire Underwriters' Association.

The Canadian fire insurance companies feel very keenly the competition and are pressing strongly for revision of Canadian insurance laws that would make it illegal for anyone to place insurance with unlicensed reciprocal companies or that would tax their premiums. The companies operating in Canada in the usual way make heavy deposits of cash and securities at Ottawa to protect their policyholders and in addition pay taxes to the Federal Government as well as to the provinces and municipalities in which they operate. The reciprocal companies on the other hand send representatives into Canada for a day or two; these representatives visit the larger buyers of insurance and arrange with them for policies. Recently the school commission of a large Quebec city placed all of its insurance with one of these companies. The rate quoted was much under the rate that could be quoted by a Canadian company. Manufacturers are given insurance at rates that are very low.

Where Departments Clash

The sympathies of the Department of Insurance at Ottawa seem to be with the licensed companies and opposed to the unrestricted writing of insurance by the reciprocal companies. It is felt there that full protection for the Canadian buyer of insurance requires an adequate deposit at Ottawa. Since 1916 reciprocals have had the same right as other companies on complying with certain conditions—that is making the same deposits and paying the same taxes as the other companies. In an address in October, 1921, G. D. Finlayson, the Dominion Superintendent of Insurance, said: "There is under the insurance act to-day every facility for admission to Canada of reciprocals and mutual companies. Under this legislation several of the strongest of the reciprocal and mutual companies have been admitted to Canada and are operating to the satisfaction of the public, all the time maintaining the same security for the protection of Canadian policy holders as is required from others."

In Ontario the Department of Insurance for the province takes a somewhat different attitude. A Supreme Court judge was asked to make a report upon insurance conditions in the province and one of his conclusions was to the effect that insurance rates were too high. Later a committee on the Ontario Legislature looked into the question of fire insurance rates and came to the conclusion that the rates established and charged by the members of the Canadian Fire Underwriters' Association were too high. It was felt that to admit the reciprocal insurance companies to the privilege of writing insurance in the province would have the effect of reducing the cost of fire insurance and accordingly a bill was introduced in the Provincial House and passed last spring giving the superintendent of insurance the privilege of allowing the reciprocal companies to write insurance in the province without complying with the usual terms. The jurisdiction of the province was questioned by the Dominion and the case now before the Privy Council is to decide whether the act of the Ontario Legislature is "intra vires."

Manufacturers Want Reciprocals

The strongest supporters for reciprocal insurance in Canada are the Canadian manufacturers. At their annual meeting last year a resolution was passed opposing a tax of 5 per cent. that has been proposed by Mr. Fielding, the Minister of Finance, on the premiums of the unlicensed insurance companies. The main objections of the Canadian Manufacturers' Association to the proposed tax were:

First, the revenue would be trifling, for most of the insurance with the New England mutual insurance companies is at the rate of 10 cents per $100.

Secondly, it was pointed out that approximately 95 per cent. of the insurance was at present with the licensed companies. The manufacturers felt that the 5 per cent. placed with reciprocal companies constituted a minimum degree of competition. Without that it would mean that competition would disappear.

It was felt by the manufacturers that most of such insurance is placed by the licensed companies themselves as re-insurance. Individuals, they said, should not be debarred from the privileges that the companies themselves had.

The manufacturers pointed out that they would consider themselves fortunate if they had 95 per cent. of the industrial business in Canada. They further stated that the tax proposal had come up time and again since 1909. In 1910 a sub-committee of the senate made a thorough investigation of the subject, received evidence and decided that the tax on the premiums of unlicensed insurance companies was undesirable. The report of Justice Masten to the Ontario Government stated that the tax would lessen competition and that this would be unwise. In 1920 and 1921 Sir Henry Drayton had considered placing such a tax upon the premiums, but after representations had been made to him by various parties he rejected the proposal.

VALUE OF LIFE INSURANCE STOCK AS AN INVESTMENT

(Continued from page 17)

dent of the exchanges, who militate against transfers of the stock. In the case of companies which have n shown any special ability to secure business, it is often difficult to persuade any prospective buyer of the advantages of the stock. Moreover, the invester, who has held the stock for a number of years without much return, is loathe to release it unless he is absolutely sure it will not enter the dividend class. In companies which have been highly successful, the value of the stock lies, not only in the immediate yield but also in the probability that these returns will continue and steadily increase. Consequently we find blocks of stock in the older companies handed down in one family, through several generations.

HEAVY FIRE TOLL OF 1922 SHOWS NO LET UP IN 1923

(Continued from page 17)

ing recess periods. The manufacturer will ordinarily reduce the usual hazards but he has little control over the habits of his employee. Consequently prohibition of smoking seems the only remedy.

There is, in addition to these six an ulterior hazard where control is to a great degree, limited—the menace arising from faulty construction of neighboring buildings. The best means of guarding against this is the maintenance of sufficient storage tanks, hose, extinguishers or a sprinkler system with a two-source supply.

If precautions were taken against these hazards, the serious economic loss, not only to the employers themselves, but to the employees, their families, and the community in general, would be to a great extent avoided.

First British Insurance Company Established in Canada, A.D. 1804

Phoenix Assurance Co., Limited

OF LONDON, ENGLAND (FOUNDED 1782)

FIRE LIFE MARINE

TOTAL RESOURCES, over $120,000,000.00
CLAIMS PAID EXCEED 500,000,000.00
DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policy-holders only, exceed 3,000,000.00

AGENTS WANTED IN ALL BRANCHES. Apply to

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OF CANADA

It is only logical that every good agent make a special effort to offer this company a share of his desirable business.

Head Office: Montreal

J. E. CLEMENT, Vice-President and Managing Director
J. A. BLONDEAU, Secretary

Established 1899

The National Life
Assurance Company of Canada

There are many things which a National Life insurance policy will do—it will keep the home intact—it will lay the foundation of independence—it cultivates a saving habit—it lightens the load of care—it supports credit in business transactions—it creates an estate which is worth 100 cents on the dollar in case of the death of the assured.

National Life Policies

are backed by over $6,000,000.00 of Assets, 80% of which are Government and Municipal Bonds. Eighteen thousand satisfied policyholders is convincing evidence of the confidence of the insuring public in the National Life.

Write for your copy of the Year Book

Head Office: National Life Chambers, Toronto

"Permanent as the Pyramids"

It embraces all—

"Of all our employees, he probably needed the protection most"—How often employers have acknowledged payment of claims under Group policies in some such words.

Sun Life Group policies protect *all* your employees. They are designed, not for a preferred class, but include also those who would carry life assurance but cannot obtain it as individuals, as well as those who carelessly or wilfully leave their employer, or society generally, to carry the risk of their dependents' need.

Holders of Sun Life Group policies are pleased with the results and frequently write to the Company of their appreciation. You, too, would find this an excellent investment. The outlay is low and the returns in increased efficiency, through improved morale, high.

Write for list of some of those who have found Sun Life Group Assurance an economic help.

Sun Life Assurance Company of Canada

HEAD OFFICE: MONTREAL

LIFE COMPANIES INTERESTED IN PUBLIC HEALTH

Some Have Sanitaria, Nurses and Free Medical Examination

The great developments in public health activities in recent years have resulted in increasing the expectancy of life in many cases. The results have been so beneficial that life insurance companies have given it their co-operation and support. Several of the large companies in the United States have established sanitaria, and are carrying out extensive plans to cut down the loss of life, especially at the younger ages.

The annual report of one large company states that the company has distributed 272 million pamphlets dealing with health and longer life. Of these over 2¼ millions were distributed in Canada during 1922. The company's nurses have made over 16 million free visits, nearly 2 million of them being in Canada. A great many companies extend free medical examinations at stated intervals to their policyholders. These are only a few facts which serve to make us appreciate the work that many of these companies are doing.

Some suggestions made by Dr. H. W. Hill, director of the Institute of Public Health at Western University, to a gathering of life insurance men recently, are worthy of consideration.

Public health is a very new thing. It has in reality developed in the length of our own lives and is no more than thirty years old. The development of life insurance and public health in many respects have gained along the same lines. The advantage of public health to life insurance hardly needs any reference, in the matter of mortality alone and the increase in the length of human life is enough to suggest its importance. On the other hand the benefit that life insurance has been to public health has not always been appreciated as it might have been, but their mortality tables, experience, etc., have been extremely valuable.

The doctors, the insurance people and the undertakers are all strong for public health. The undertaker wants as many people to be born as possible and raised to health, as it is more profitable probably, to bury a wealthy man than a child. He can afford to wait, knowing that it must come to him anyway and the greater the increase in population the better for business. Everyone in these three classes of people is able to see what humanity needs along the lines of public health, being placed in positions where they see sorrows, heart breaks and mourning. It increases the broadness of their outlook and it increases their spirit of humanity so that they want to alleviate this sorrow.

Insurance and Health

First of all by educating the people to appreciate the value of public health. Second—to give service to the public and an inspection of public health from a sound economic basis. Just as the fire companies inspect for protection against fire, so should the life insurance companies investigate against disease and this would be of the greatest advantage to the business. Third—we in public health service have come to the conclusion that in reducing the ravages of disease, etc., that the next step will come with the annual inspection or examination. We should get the public to undergo a medical examination at least once a year. Why? Because people come to us most often just one year too late, just too late to be cured. This is true in cancer, tuberculosis and many other diseases. The annual medical examination would save over thirty millions of dollars in Canada, while on the other hand the people in Canada spend over three hundred millions of dollars for the fun of being sick. There is no body of people who could better push the idea of an annual medical examination than the agents of insurance companies.

I do not see why the company could not offer some inducement in the way of say reduced premium or increased face value of a life insurance policy if the policyholders undergo an annual examination. The increase in life would more than offset the cost.

PLATE GLASS LOSSES UP

Fires of the Year Increased the Claims of This Class

Though plate glass premiums declined in 1922, the losses paid shows an increase due undoubtedly to the heavy fire toll of the year.

The figures:

	Premium $	Losses $
Alliance Assurance ..	6,846	4,176
Canada Accident	32,065	5,999
Canadian Surety	11,499	4,154
Casualty Co. of Canada	57,831	19,212
Dominion Gresham ..	10,376	4,110
Dominion of Canada Guar. & Accident ..	42,577	12,263
Fidelity and Casualty	10,505	3,724
Gen. Accident of Can.	5,907	954
General Animals	33,941	14,375
Guardian Insurance ..	15,383	3,812
Hartford Accident ..	2,857	756
Imperial Guarantee & Accident..	5,563	2,729
Indemnity Insurance .	1,190	None
Law, Union & Rock..	10,629	3,741
Lloyds Plate Glass ..	47,925	12,682
London and Lancashire Guar. & Accident ..	32,104	10,335
Maryland Casualty ..	9,994	2,283
Merchants' and Employers'..	14,029	6,721
Mount Royal	36,489	11,752
National Provincial ..	20,308	6,746
New York Plate Glass	21,024	6,399
N. American Accident	30,509	11,140
Northern Assurance .	30,636	8,521
Norwich Union	30,229	9,124
Ocean Accident and Guarantee	113,686	29,296
Railway Passengers ..	28,704	7,985
Travelers Indemnity .	13,152	2,854
United States Fidelity and Guaranty	15,038	4,637
Yorkshire..	17,752	5,104
Totals	708,748	215,584
1921 Total	737,750	214,290

Rain Insurance Shows Increase During 1922

Two companies have been handling rain insurance in Canada. This class of policy is used largely in the U. S. in connection with big league ball games. However, sports in Canada paid $29,348 in 1922 to protect their gate receipts and collected about three quarters of that amount in losses. The figures:

	Prem. $	Losses $
Hartford Fire	17,222	11,440
Home	12,126	9,747
Totals	29,348	21,187

Excellent Insurance Available on all Baggage of Travellers

Low Rate Applies on Travellers' Samples and Protects Houses From Heavy Loss — Laundry Cover Provides Care for Damage and Loss

By SAMUEL McADAMS.

Practically everybody has insurance on their household effects and personal belongings in the specific place where they reside, but, when once they leave that particular location for a journey, as many do at this season of the year, or in the summer, the insurance on the belongings they take with them automatically ceases, and tourist baggage insurance, and personal effects insurance, are designed to meet this issue.

Few are aware, that the average man or woman can secure for the sum of $2.50 per annum, $250.00 insurance on their personal effects and baggage, wherever they may be located other than in their private dwellings, against fire, lightning, theft of an entire parcel or satchel, transportation and navigation, while in the custody of any common or public carrier, or while in any dwelling, boarding house, hotel, club, laundry, railroad station, freight house, shop, store, or other business building, except theatres, and against stranding, sinking, burning, or collision of any yacht or power boat.

This is a form of insurance desirable to all people who travel to any extent, or who frequent golf clubs, yacht clubs, or similar institutions.

The usual exclusions of currency, securities, etc., are made in this form of cover at this rate, with also the loss or theft of jewelry excluded.

The regular tourist form, however, is a very broad and liberal cover, and the form now used is practically uniform with all companies. The policies cover loss from fire, collision, and derailment, stranding, burning, sinking or collision, petty thefts and pilferage.

The rates are reasonable; the companies at the present time giving this protection over the area of the United States, Canada, the West Indies, and the British Isles, for a rate of 2½ per cent. for the first $2,500.00 and 1½ per cent. for the excess. The policy can be extended to cover certain of the European countries and Japan by increasing the rate 50 per cent., and can be made world wide, for an increase of 100 per cent. on the original rate.

The companies writing this class of business are all first class; have correspondents and connections in all parts of the world, so that service to clients is complete.

The policy excludes only loss by theft, pilferage, or larcency, of automobile apparel and accessories, while in or on an automobile or in any garage. It also excludes claims as a result of improper packing or insufficient or improper address. This policy is not written subject to any average clause, but it is presumed usually that the assured will carry a fair amount of insurance to value, the only restriction in this case being where the insurance affects loss by theft of such articles as jewelry and furs; the companies practically all limiting the amount of the insurance applying on articles such as these to a certain percentage of the total amount of insurance written, commencing with 25 per cent. of the policy if written for $1000.00 or less, up to 75 per cent. of the policy not written for more than $10,000.

A cheaper form of tourist policy is available, but the cover is not nearly so wide; the theft feature does not include pilferage, and jewelry is excluded.

These forms of insurance wherever published and known, are growing in popularity, and the income is most certainly on the increase.

Salesmen's Samples Insurance

This policy is sometimes called a commercial traveler's policy, but is usually taken out by the firm employing the travelers, and covers the samples in their possession against fire, lightnings, navigation and transportation, while in the custody of any railroad, express, transfer, transportation company, steamboat or steamship, and against loss or damage by fire and lightning while in any hotel or business building, except theatres or opera houses. It naturally does not apply in the business premises of the assured, or where the assured carries specific insurance, and usually excludes the risk incurred while the samples are in wagons, stages or carriages except within the corporate limits of cities or towns, unless an extra premium is paid.

Breakage is covered when caused by fire, collision or derailment, and theft of an entire package is covered, with pilferage excluded.

The rates in this case run usually from 1½ per cent. to 2 per cent., and it is presumed that full insurance to value will be carried, as the companies insure not only the merchandise, but the containers as well, and the limit in any one loss can be readily adjusted to meet the highest value in the hands of any one traveler.

Theatrical, musical instruments, railroad and express floaters, are written along the same lines, with certain variations according to their individual nature, which I have no time at my disposal to dwell on, and as these forms of cover are more or less confined I will not dwell on them any further than to say, with particular reference to the musical instrument floater, that it is designed to meet the needs of manufacturers of pianos, player pianos, and phonographs, which are so frequently sold on deferred payments and scattered all over the country, and in which the seller has for some years an insurable interest under lien notes.

Laundry Cover

You have possibly all noticed that from the most modern and up-to-date equipped steam laundry, down to the smallest hand-power Chinese laundry, they one and all take care to put on all vouchers and lists, the statement that they are not responsible for goods in their charge, against fire, theft or damage.

Laundry insurance is designed to meet this situation, and should be carried by all up-to-date laundries, as a protection to their clients, and to themselves.

The cost is small, and I believe would readily be paid by the public in their accounts for the satisfaction given. It is rapidly growing to the south of us, and I believe is now being carried or considered by some firms in Toronto.

The form of cover supplied by the companies means that when once the householder, or hotel, or whoever it may be, hand their laundry to the collector at the door, they are protected until the goods are again returned, when they come under their regular contents insurance.

The cover reads: "On all kinds of lawful goods and articles, laundered or to be laundered by the assured, the property of their customers, while contained in their laundry building, situated blank st., or while being transported to and from their customers, against direct loss or damage caused while this policy is in force, against fire, arising from any cause whatsoever, collision and theft."

The policy is usually written on the monthly reporting system, and the premium, with particular reference to ordinary householders, works out on the basis of one cent per bundle, with a special flat rate for hotels and restaurants of 2c per each 100 pieces.

The manner of adjustment and limits of liability are fully described in the policy, and the cover is simple and to the point.

FARMERS ENDORSE GROUP INSURANCE

At the convention of the United Farmers of Manitoba recently, the question of procuring group insurance to cover the members was discussed. It was decided to endorse a plan with a maximum limit of $2,000 on any one member and the directors were instructed to work out the details.

The announcement of the complete plan will appear later and will be awaited with interest.

NO POT OF GOLD

Kingston Standard

THE FINANCIAL POST naturally takes keen interest in the affairs of the L. R. Steel Company and says that if the wide publicity through the daily press and other mediums reaching the great mass of the people now being given to the collapse of the L. R. Steel ventures results in any measure of effective education of the people along investment lines, some good may ultimately come of the disaster—disaster which has overtaken thousands who should never have taken their savings out of the bank or have disposed of their government bonds to back their faith in the erstwhile miracle man of the chain store business.

But THE POST points out that "unless the lesson is learned and appreciated that it is not L. R. Steel who is so much to blame for the disaster as the desire of the people themselves to get something for nothing, there will be no lasting benefit, and all the Blue Sky laws in the world will be unavailing."

That is true: there is no pot of gold anywhere into which people can dip their hands and get rich without any trouble. As THE POST says since the days of the Spanish bubble—perhaps long before—there have been recurrent schemes in which the people have lost their money by neglecting sound principles and trying to get rich over night. And THE POST remarks: "When another Steel comes forward with another new plan, appealing to those who seek miracles, there will be another Steel disaster unless the people learn something of the principles of sound investing." But we venture to predict this will not be learned, and before so very long there will be similar financial disasters.

VOICE AND SPEECH VITAL FACTORS IN SALE OF INSURANCE

(Continued from page 20)

speech is hurry. It does not allow the hearer time to grasp the facts offered and the statements made and thus spells for him confusion.

Hurry also does not allow opportunity for emphasis. If words are uttered in a monotonous stream with the same degree of emphasis, no idea is conveyed, no fact is impressed; for ideas are definitely conveyed and impressed by means of emphatic words. The cure for hurry is the practice of deliberation. By deliberation is not meant the monotonous, irksome utterance of individual words one by one. What is meant is this,—that the salesman shall not state his facts any faster than the prospect can readily grasp them. Do not be in a hurry. It does not make much difference how deliberately you proceed if you are going in the right direction.

Value of Emphasis

In regard to emphasis the agent may say, "My business is to sell insurance, not to concentrate my attention upon the selection of certain words to be emphasized in my sales talk." He is quite correct. But if he will concentrate the attention of his prospect upon clearly defined ideas, the exact words which will convey his idea will stand out or be emphasized spontaneously, i.e., if his voice has any degree of freedom whatever.

Incorrect emphasis results in the communication of ideas which are not intended. The writer heard this statement: "And he said unto his son, saddle me the ass, and he saddled him," read in this way: "And he said unto his son, saddle me, the ass, and he saddled him." Wrong emphasis may not only convey ideas that are not intended but also result in ridiculous statements.

A most unfortunate and prevalent mannerism is the unintelligible mumbling of poor enunciation. Such speech is lacking in clearness and is a grave injustice to our noble English language. To remedy this the agent cannot afford the time to explore the intricacies of phonetics. He can, however, speak deliberately. He can properly syllabalize his words. He can listen to and imitate good speakers, and he can take a little daily practice in reading with good enunciation. If he will do these things, he will speak at least passably clearly.

The salesman has been strongly advised to make complete and definite preparation of his sales talk before he approaches the prospect. By preparation is not implied the mechanical memorization of the words of the sales talk. This deceives nobody. It is artificial and very often delivered in such a way as to invite ridicule. A memorized sales talk is also unconvincing. The agent is merely saying words; he is not conveying ideas. It suggests, therefore, insincerity in that he is giving expression to thoughts which in all probability are not his own and which he cannot mean. Nothing can be more fatal to successful salesmanship than any suggestion of insincerity.

There are a number of widely used colloquialisms and crudities of speech which are irritating to many. For example: akracy for accuracy, bein' for being, childurn for children, coulda for could have, doncha for don't you, figger for figure, etc. A prospect may use certain expressions himself, but he does not appreciate the thought that crude methods of speech appeal to him. Also the use of such crudenesses and colloquialisms may suggest familiarity which many prospects may resent.

Then there is the matter of slang. Slang phrases at times may be vivid and apt. It is the constant repetition of pet slang phrases that is objectionable.

The Wrong Impression

Crudities of speech are as frequently due to habit as to ignorance. It should be remembered, however, that the buyer will very likely attribute any ungrammatical or crude expression, not to carelessness of habit, but to stupidity or lack of education. To convey the impression that he lacks education or is deficient in intelligence is not the sort of impression that any salesman cares to create.

Then there are some irritating mannerisms of speech which should be carefully avoided. For example: the insertion of "Now" before every second or third statement, or the emphasis of every assertion with an additional and wholly unnecessary query "Do you see?" "Is not that clear?" "Do you see what I mean?" "Do you get me?" "See?" There are innumerable other mannerisms that are equally unfortunate.

Someone has said that one can learn to avoid errors of grammar and of pronunciation, irritating mannerisms of speech and gesture and can learn to speak distinctly in pleasing tones as certainly as one can learn to acquire polite table manners. To pursue the analogy, you can eat peas, no doubt, satisfactorily and effectively with a knife, and safely if the knife be not too sharp, but it irritates your neighbors and brands you as one of poor breeding.

To put the whole matter positively, present your talk deliberately, clearly, intelligently and intelligibly in a pleasant, well modulated, resonant and varied voice, in good English, well enunciated, and you have not irritated your prospect. In all probability you have favorably disposed him toward you and your proposition.

These qualities of voice and speech enter into and assume a very important place in that indefinable but essential thing—the personality of the salesman.

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